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Policy Review

The Myth of Social Conditioning
KENNETH MINOGUE

Why Women Earn Less
PAUL McGOULDRICK

A Foreign Policy for Reaganauts
JOHN LENCZOWSKI

The Riotous British
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Ill Fares the Welfare State
MELVYN B. KRAUSS

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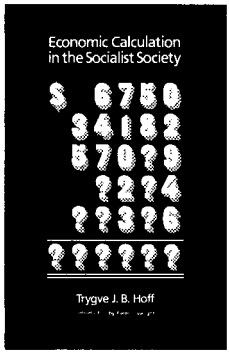

Economic Calculation in the Socialist Society

By Trygve J. B. Hoff

A systematic examination of ideas and methods which socialists have proposed as substitutes for market prices in solving the problem of economic calculation. Includes a summary of critiques of socialist proposals and a survey of analyses showing the impossibility of economic calculation in the socialist society, with the author's own findings as an impartial investigator into the historical controversy.

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Controversy

Anti-Business?

Steven Lagerfeld's article "An Anti-Business Business Magazine" is erroneously titled. *Business Week* is not anti-business and Mr. Lagerfeld never attempts to make a case that it is. He says that because the magazine has written some things he considers to represent liberal thought the magazine is not extremely conservative. Not being conservative enough for him is not the same as being anti-business.

Business Week makes no claim to being ultraconservative, just as it makes no claim to being ultra-liberal. The magazine's goal is to expose our readers to a wide spectrum of ideas, so they are aware of them, not necessarily because we or they believe them or should believe them. The magazine's objective is to be independent, a position an ardent apostle like Mr. Lagerfeld obviously considers intolerable.

To buttress his case, Mr. Lagerfeld has selected so carefully items to make *Business Week* appear to be of the left. He has ignored anything that would make the magazine appear to be conservative. For example, there is no mention of the supercritical book review of John Kenneth Galbraith's memoirs, in which the magazine's Deputy Editor William Wolman, highly criticized by Mr. Lagerfeld, wrote "...Galbraith also writes off anyone who fundamentally disagrees with him—especially conservative economists—as either idiotic or morally obtuse." And later he added, "... it is the capstone of a career that was part of a liberal era whose central ideas are dead or dying..."

I could find as many quotations from *Business Week* that liberals consider a sign that we are conservative as Mr. Lagerfeld has found to prove the opposite point. In fact, one can selectively choose quotations from the magazine to prove it is conservative, liberal, anti-conservative or anti-liberal. By reading *all* of the magazine an honest person has to conclude it is none of the above.

But his bias leads to such inaccuracy that the final result is dishonest. For example, he criticizes the fact that the publisher of the paperback edition of Lester Thurow's *Zero Sum Society* used a portion of the *Business Week* review as a blurb on the cover. But he ignores, or doesn't know, that the publisher of George Gilder's book *Wealth and Poverty* has used a blurb from the *Business Week* review of that in advertising for the book and credits the *Business Week* review, which was one of the first printed, with having given the book its first big sales surge. The publisher obviously thinks more of the review than Mr. Lagerfeld, showing that Mr. Lagerfeld is looking to see only what he wants to see.

Two other points raised by Mr. Lagerfeld are worthy of comment. *Business Week* has always been opposed to government intervention in the economy, preferring the forces of the market to act, where they can. But the magazine's view of the world is pragmatic, and we do not cling to hopes for free-market solutions when none can be forthcoming. That is why we laid out the causes of the decline of competitiveness of U.S. in-

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dustry and some possible solutions. Incidentally, one function of a magazine like *Business Week* is to examine issues so that they can be discussed and solutions devised by those in business and government capable of doing so. *Business Week*'s editors concluded that the decline in competitiveness of U.S. industries cannot be solved solely by free-market forces because foreign governments are not playing by those rules and because no one will put the capital into industries such as steel, autos, textiles, and appliances to reverse the decline in competitiveness. To think that any investor, either individual or institutional, will pour capital into Wheeling Steel, or Chrysler, or any of a hundred smaller, less-known companies in basic manufacturing is to be either a fool or a knave.

Business Week was critical of the Kemp-Roth tax proposal—until the Reagan people included explicit spending cuts—then it supported supply-side economics. Incidentally, this view mirrors one held by much of the business community. Mr. Lagerfeld is either unaware, or ignores the fact that *Business Week* is perceived as reflecting a consensus opinion of the business community on almost all issues. I find that impossible to reconcile with your calling it an anti-business magazine.

What Mr. Lagerfeld ends up saying is that if you don't agree 100 percent with me 100 percent of the time, you are clearly a leftist. His and your calling *Business Week* anti-business does not make that true.

I am disappointed that the standards of scholarship of The Heritage Foundation and *The Public Policy* [sic] are so shoddy. I would have hoped that they would be higher.

Lewis H. Young, V.P.
Editor-in-Chief
Business Week

Steven Lagerfeld replies:

Lewis Young defends *Business Week* with the proud assertion that the magazine "makes no claim to being ultraconservative." But whoever had suggested that *Business Week* made—or ought to make—such a claim? No one at all. Mr. Young is merely trying to pin the boo-label "ultraconservative" upon me and *Policy Review*. What Mr. Young is saying is that, if you don't agree 100 percent with me 100 percent of the time, you are clearly an ultraconservative. Which illustrates the standards of *Business Week* far more neatly than anything in my essay.

The magazine's strange political perspective is illustrated yet again when Mr. Young remarks that only "a fool or a knave" would expect private investors to put their money into failing businesses, but neglects to wonder what kind of person would automatically assume that government should undertake what its citizens wisely avoid.

Mr. Young accuses me of "inaccuracy" and "shoddy" scholarship, yet he disputes none of my facts—he merely disagrees with my interpretation. I illustrated my argument with a great number and variety of citations. Indeed, a large part of my essay was devoted to *Business Week*'s special issue on "The Reindustrialization of America," which the magazine itself promoted lavishly through a series of full-page advertisements in national newspapers. I hardly think this represents an unduly selective reading of the magazine.

I was also careful to note on several occasions that there are exceptions to the prevailing leftist tone at *Business Week*, and I specifically observed that the magazine accorded George Gilder's book a lukewarm but respectful hearing. (The book's publisher, incidentally, managed to ex-

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cerpt exactly one word from the review for the blurb.) However, such instances of fairness are dismayingly rare in *Business Week*'s pages. As for the magazine's review of John Kenneth Galbraith's book, it merely shows that *Business Week* is capable of rejecting one set of discredited liberal ideas for another.

Mr. Young is right about one thing. My article was "erroneously titled" in that, in the original manuscript, a question mark followed the title. I failed to notice its subsequent omission by the editors. I suggested in my essay not that *Business Week* is openly anti-business (it would be out of business if it were), but that it exhibits a set of values and beliefs characteristic of the anti-business stance. Because *Business Week* aspires to educate and speak for the business community, I thought it useful to examine the peculiar attitudes that inform its views. If, as Mr. Young suggests, *Business Week* already reflects a consensus opinion of the business community, God help us.

U.S. Unionism:

The comment ("The Three Faces of Unionism," Fall 1980) by Messrs. Troy, Koeller, and Sheflin (TKS) on our article "The Two Faces of Unionism" (*The Public Interest*, Fall 1979) raises two issues: 1) Did we fail in our analysis to treat adequately the impact of unionism on government's activity in the labor market?; 2) Did we incorrectly read the evidence about union effects on efficiency, income distribution, and social/political outcomes in the United States? In our response we wish to stress that TKS have ignored almost completely the quite extensive body of empirical work on the impact of unionization in the U.S. completed during the past decade (over 75 studies by over 40 different authors), and have based their attack primarily on three earlier articles for the U.S. which shed little empirical light on the issues of concern, and on two pieces on U.K. unionism, which have no obvious relevance for an analysis of unionization in our country.

Like other organizations, such as firms, unions try to encourage the passage of laws which serve their interests. This is no more a "third face" of unionism than it is another "face" of business. It is a *method* by which both labor and management seek to meet their monopoly and collective voice goals. We pointed out in our *Public Interest* article that, in general, organized labor has not been effective in pushing for policies that increase union monopoly power. We said, "Typically, only when unions and management in a particular sector have united in favor of legislation to benefit that sector have unions had much success in gaining support for their 'special interest' legislative proposals." This is certainly the case in the example cited by TKS with respect to the trucking sector—a study, we note, by one of our students. Where unions have been more successful in the political arena is, as we say in our article, in pushing for more general social legislation like the Civil Rights Act of 1964, the Public Accommodation Act of 1964, the Voting Rights Act of 1965, and acts designed to fight poverty.

It is in one way easier and in another way more difficult to respond to the TKS criticism of our reading of the evidence on union effects. It is easier because their discussion is marred by some obvious factual inaccuracies due, as indicated above, to an apparent failure to read much of the last decade's literature on U.S. unionism and a consequent reliance on studies relating to the United Kingdom or on a few selected studies relating to our country from a decade or so ago.

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It is more difficult to respond to the TKS critique of our work because of the very large number of errors which they have made. To keep our response near the required length, we will limit the discussion to TKS's criticisms of our conclusions regarding efficiency and income distribution, the issues given the most attention in our research and in our article, and shall further limit ourselves to only their most flagrant errors.

TKS refer to their "evaluation of the empirical data concerning the efficiency effects of unionism," but they do not in fact refer to a single recent empirical study on the U.S. that supports their views. They cite one study from the U.K., Milton and Rose Friedman's views, and Albert Rees' 1963 guesses. In our work we referred to Professor Rees' conjectures as suggestive because he admitted his analysis was *not* based on empirical evidence (due to unavailability), but rather on an assumption about the key parameter determining the amount of societal loss in a standard welfare economic approach: the elasticity of demand for unionized labor. Professor Rees guessed that the elasticity was about 1. TKS, without referring to the extant findings on the topic of concern and without any investigation of their own, arbitrarily double Professor Rees' guess to allow for featherbedding. Does actual evidence suggest that Professor Rees' guess is high or low? Recent estimates by many different economists of the elasticity of demand for labor suggest numbers much below unity, which implies that Professor Rees' figures should be reduced, not raised. Moreover, recent econometric analysis suggests that the demand elasticity for unionized labor is substantially below that for the economy as a whole (as Professor Rees thought it might be), which implies a further reduction in Professor Rees' estimate. Thus, existing facts strongly suggest that the Rees guess overstates the loss of GNP due to union monopoly effects. Scientific evidence is, we hold, better than arbitrary doubling of figures to obtain a notion of the possible union monopoly impact on social welfare. Finally, we should mention, since TKS did not, that Professor Rees recognized that unions can and do in some settings have the positive effect on productivity which we have found to be less the exception than the rule. Albert Rees wrote in the *Journal of Law and Economics* (October 1963): "It should be noted, however, that direct union impact on output is not always restrictive. Under some circumstances, unions have made significant contributions to efforts to raise output or productivity, especially where jobs have been threatened by competition from new products or products produced in other locations."

The remainder of the TKS discussion of productivity, where comprehensible, is replete with errors. They quote a statement by John Pencavel that "...if management were cognisant of the productivity-augmenting effect of unionism, then we should see more cases of firms actively encouraging the unionisation of their workers," which is just plain wrong. As any businessman or woman will tell you, the firm is concerned with profits, not productivity for productivity's sake. Unionized establishments may be more productive than nonunion establishments, but if union wages are higher, profit rates in unionized firms may be lower. As we note in our article, "the bulk of the economic gains that spring from unionism accrue to workers...the rate of return on capital [is often] lower under collective bargaining." This gives one good reason for firms' failure to encourage unionism, despite a positive union productivity effect. TKS's references to productivity in

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agriculture (which is *lower* than productivity in manufacturing, but has *grown* more rapidly), and to the minimum wage are incomprehensible. Their statement that "most of the gains in the standard of living of American workers, historically speaking, occurred when there were few, if any, unions," is simply erroneous. Productivity and real wages grew—until the 1970s—far more rapidly after World War II when unions were at their greatest strength, than before the war. National Bureau of Economic Research figures show an annual rate of productivity growth of 2.0 percent from 1900 to 1947 compared to 3.4 percent from 1947 to 1966. The recent slackening in the growth of productivity has occurred as unionism has been weakening in the private sector in the U.S., though we do not regard that correlation as causal. These facts in productivity growth should be obvious to anyone who has bothered to check *Historical Statistics*.

If it is possible, the TKS discussion of income distribution shows even less knowledge of recent work. The "thorough" analysis by Harry G. Johnson and Peter Mieskowski is a study *not* based on careful empirical estimates, but on admittedly rough computations. It does not take account even in a crude way of the main point of our analysis: that union-induced standard rates create less income inequality within and between organized companies; and that union-caused reductions in white collar-blue collar differentials also reduce inequality. What we have done is take account of these factors *and* the standard monopoly wage gain considered by Professors Johnson and Mieskowski to get an assessment of the total effect of unionism on inequality. While TKS apparently grant the importance of the two effects that reduce inequality, they prefer to rely on the Johnson-Mieskowski guess that fails to include them in the analysis. We do not understand this at all. Belief that the union effects which increase equality are "yet another example of wage distortion," as TKS state, does not justify ignoring them in an analysis of the union impact on the income distribution.

In recent years there has been a growing body of evidence regarding the monopoly and non-monopoly effects of unions. We suggest that TKS read this literature before making any further criticisms of conclusions based on it. Contrary to the impression given by TKS, work on U.S. trade unionism is not so limited that one needs rely on two studies for the U.K. (whose union structure differs markedly from the American, despite TKS's assertion to the contrary) or on studies a decade or so ago, which were hampered by a lack of data.

Many facts about U.S. unionism exist, but they are inconsistent with TKS's fancies. Most certainly, when TKS become aware of these facts they will recognize the wide divergence. As we stated in our article, "...our research on the non-wage effects of trade unions is by no means complete and some results will surely change as more evidence becomes available." We enthusiastically welcome more facts about U.S. unionism, no matter what they reveal, and hope that TKS will turn from fancies to facts in their next examination of what unions do.

Richard B. Freeman and
James L. Medoff
Harvard University and
National Bureau of Economic
Research

Leo Troy, C. Timothy Koeller, and Neil Sheflin reply:

Richard Freeman and James Medoff's (FM's) response to our article "The Three Faces of Unionism," fails,

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we believe, to address the major issues we raised in relation to their earlier article in *The Public Interest*. Moreover, FM's response contains a number of conceptual and factual errors. More importantly, their "facts" often do not lead to or even support their new view of unionism.

As FM note, we feel that their treatment of the political aspects of unionism is inadequate. In a mixed system such as ours, government actions significantly impact the economy. Unions, with over 20 million potential member-voters, play a rather different role in this system than other economic agents. This political influence is evident in administrative and legislative actions at the state and local as well as at the federal level. Yet FM devoted a fraction of a page at the end of their article to a cursory discussion of unions' influence on the passage of federal legislation. As we suggested, the failure to examine unions' influence on economic affairs through this political channel, the "third face" of unionism, can seriously distort an assessment of organized labor.

Our most important criticism is not, as FM suggest, that they misread the evidence about unions' effects, but rather that they over-read, over-stated, and over-extended it. They reached, explicitly or implicitly, sweeping conclusions from "limited," "tentative," and "partial" evidence. Such conclusions reflect non-economic judgments as much as "fact." Further, they failed to explicitly address what they themselves termed the key question—the relative importance of their "two faces."

The specific points raised in FM's letter are rather easily answered. Their statement that we arbitrarily doubled Albert Rees' estimates of the output loss due to unionism is extraordinary since we indicated our basis for doing so, namely, Rees' statement indicating that the featherbedding losses most likely exceeded the losses from union relative-wage distortions. (Indeed the 0.3 figure they cite is itself a doubling by Rees of his original estimate). Even more remarkable is the change in their evaluation of Rees' study—a study, by the way, originally cited by *them* in support of *their* argument. Characterized as "analysis" in their paper, Rees' conclusions become "conjectures" in their letter.

As to *their* conjecture, that the output loss may be lower than Rees' estimate due to a lower labor demand elasticity than Rees used, FM ignore the possible offset due to increases in the union relative wage advantage, which appears to have grown in the 1970s (see Daniel Mitchell's "Unions, Wages, and Inflation" [Brookings, 1980] and George Johnson's unpublished "Changes Over Time in Union Non-Union Wage Differential in the United States," 1981).

The confused discussion of union productivity contained in their article is amplified in their letter. The relevant issue from a social welfare perspective is not whether "unionism may increase productivity in some settings and decrease it in others," but rather, whether the possible union-induced productivity increases offset the higher union wage, and whether *total* productivity is increased. FM's answer to the first question is apparently "no." For as the awkwardly spliced quotation from their article reads, "...the bulk of the economic gains that spring from unionism accrue to workers... (p. 91) the rate of return on capital [is often] lower under collective bargaining," (p. 92). (The "bulk" which FM refer to is apparently *all* and then some). Even so, FM characterized these "facts" as "limited" and "tentative," with "notable exceptions." FM had little to say of unions' effects on total

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productivity beyond citing Rees' figures indicating that it indeed must decline.

FM's discussion of income distribution, continued in their letter, virtually ignores the issues of horizontal and vertical equity in labor markets and fails to distinguish between salary *differentials* based on performance and *discrimination*. There seems little social welfare implication in their "apples and oranges" netting of the within-union income differences and union/non-union differentials. As we suggested in our article, the important issue is unions' impact on incentives and efficiency, effects they conceded are probably negative. FM contended, in their article, that "no definitive accounting" of the distributional consequences of the union wage advantage exists. It is extraordinary, therefore, that they attack our reference to the analysis of Johnson and Mieszkowski ("The Effects of Unionization on the Distribution of Income: A General Equilibrium Approach," *QJE*, November 1970) which focused exactly on this issue. FM contend that the study is "not based on careful empirical estimates," yet Johnson and Mieszkowski characterized it as "...an empirical analysis..." and they incorporated the statistical results of seven previous studies.

The remaining minor points made by FM can be dealt with briefly:

1. Our article was not intended as a survey and our citations did not reflect everything we have read in the past ten years. We certainly hope theirs didn't either. (We think that it should not have been necessary for us to write this.)

2. Their criticism of our use of "...earlier articles for the U.S. which shed little empirical light on the issues of concern..." (such as Greg Lewis' book, perhaps) is vacuous. FM felt free—quite correctly, we believe—to cite older studies (such as the 1960 book by Slichter *et al*) in support of their arguments.

3. FM's concern with our references to British industrial relations is peculiar coming from associates of the National Bureau of Economic Research. International studies have long been a hallmark of the Bureau methodology, as has been objective, factual research. Recently, Thomas Kochan recommended that the Department of Labor pay increased attention to comparative international industrial relations. Incidentally, FM found no difficulty in relating the American experience to the Japanese in support of their arguments.

4. Our parenthetical statement that some of the greatest gains in productivity occurred when unions were weak or nonexistent is, of course, supported by the data on non-farm and manufacturing productivity (*Historical Statistics*, series D683, 684). These reveal that the decade of greatest productivity growth occurred during the 1920s compared to the 1950s and 1960s. The figures are 33.9 percent for non-farm, 62.5 percent for manufacturing in the 1920s; 23.5 percent and 30.5 percent for non-farm and manufacturing productivity, respectively during the 1950s; and 33.9 percent for manufacturing during the 1960s.

As for gains in the standard of living, again referring to the manufacturing sector, data on real average hourly wages of production workers between 1900 and 1966 (Historical Statistics, series D802, spliced with Rees' N.B.E.R. series for the period 1900–1919) show that virtually half of the increase in this series occurred before 1947 (144 percent of the 290 percent gain). While this is marginally less than "most" of the gains, and we might have more clearly indicated that we were referring to the manu-

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facturing or non-farm sectors (the sectors of concern in any discussion of unions) our point was that unions are by no means a necessary condition for gains in the standard of living or productivity.

The central issue is not a matter of facts or of fancies, for FM presented little in the way of new facts nor did we deal in fancies. The studies FM cited are limited and subject to varying interpretations (see John Addison's unpublished, "Trade Unions and Restrictive Practices," 1981, for example). Their "facts" hardly impel an objective reader to their "new view of unionism" and in many instances their evidence is contrary to such a view. Moreover, they don't contest many of the conclusions of the "monopoly view" of unionism.

In the final analysis, FM's "new view" of unionism appears to us to derive as much from subjective evaluations and premature conclusions (what one might call "fancy") as from any "facts" they present. And while certainly interesting, their presentation is outside of the realm of positive economics.

Plant Closures

Professor McKenzie ("The Case for Plant Closures," Winter 1981) contends that free mobility of corporations and workers will minimize the general societal costs of unemployment. However, reliance on free mobility alone, denies the needs and rights of individuals—such as children—who are unable to avail themselves of that freedom.

In his argument, Professor McKenzie inappropriately draws an analogy between corporate and individual responsibility to the community. As he well knows, in the "free market," countless individuals make decisions, any one of which has negligible effect on the market. In contrast, a company that closes a plant has a significant impact on the local market. Just as the closing of a plant impacts on a community, so the involuntary loss of work affects an entire family. Therefore, a more appropriate analogy would be between the company's responsibility to the community and the primary wage earner's responsibility to his family. An individual worker may indeed include the risk of ulcers, depression, or suicide in calculating whether to opt for the higher wages available in a company unencumbered by restrictions on its movement of capital. However, the mere fact of involuntary termination probably affects the children detrimentally, independent of provisions made by the worker (L. H. Margolis and D. C. Farran, "Unemployment: The Health and Behavioral Consequences for Children," *The Networker*, Fall 1980). Throughout 1980, approximately 500,000 men with children involuntarily lost their jobs.

To cite just one—but particularly cruel—cost of involuntary work loss, the children of terminated workers are at substantially increased risk of suffering physical abuse at the hands of their parents (R. J. Light, "Abused and Neglected Children in America: A Study in Policy Alternatives," *Harvard Educational Review* 43:556–598, 1973). Clearly, children are not capable of exercising "the key economic liberty of mobility." Are not these children entitled to some protection through attempting to prevent that abuse instead of the equivocally effective treatment which variably follows child abuse? What of the battered children who remain undiscovered and thus bear an invisible cost of parental work loss?

Professor McKenzie is in error in claiming that the cost of restrictions on plant openings are invisible. The

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children of uneducated, "trapped" workers are at increased risk of abuse and that risk is reduced as those workers ascend out of poverty through employment.

The costs to terminated workers compete with the costs of unemployed workers waiting for new plants. However, the children of neither group are able to participate in the market mechanism Professor McKenzie posits. As a result, our society should strive to decrease both of these costs.

Unfortunately, Professor McKenzie's "case" is narrowly against the National Employment Priorities Act. Surely he realizes that, as with any proposed legislation in a free society, debate and negotiation should and will follow. One would hope that the policy which emerges recognizes all of the hidden costs and attempts to distribute them in an equitable and efficient manner.

Lewis H. Margolis, MD, MPH
Bush Institute for Child
and Family Policy
Chapel Hill, North Carolina

Richard B. McKenzie replies:

Mr. Margolis attempts to make the case for restrictions on plant closings by pointing to the harm done to unemployed workers and their children. He argues that child abuse is increased by unemployment and lost income (and cites studies that back up his contention). He concludes, wrongly, that governmental restrictions on plant closings are a means of reducing the overall incidence of child abuse. A major point of my article is that in a dynamic economy, restrictions can only be fully evaluated by looking at their effects on both plant openings and closings. I stressed that restrictions on plant closings are necessarily restrictions on openings and on the growth in workers' wages and employment opportunities. Hence, to the extent that child abuse (or any other physical or social problem) increases with reduced employment opportunities and wages, restrictions on plant closings encourage child abuse. In short, restrictions on plant closings are a bad idea, even from Mr. Margolis' child-care perspective. At the very least, to make his argument convincing, Mr. Margolis must do more than merely point to all the cases of child abuse that occur when a plant closes down; he must show that the number of cases of child abuse caused by plant closings is greater than the number of cases of child abuse that will occur if plants are kept from opening (and if the growth in jobs and wages is reduced). Frankly, that is a very difficult empirical assignment. Proponents of restrictions have tended to avoid the issue from both a conceptual and empirical point of view. They have tended to present a one-sided argument and to draw one-sided (and erroneous) policy conclusions. If the solvency of banks were evaluated in a similar manner, only the withdrawals would be considered. Clearly, such a narrow focus of attention on one side of banks' balance sheets would lead to the conclusion that all banks will fail and that the entire economy will go down the drain.

ERRATUM

In *Policy Review* #17 a footnote in Kenneth Adelman's article, "Beyond MAD-ness," was inadvertently omitted. Footnote 1 should read: Colin Gray and Keith Payne, "Victory is Possible," *Foreign Policy* No. 39 (Summer 1980) pp. 14–27.

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The Myth of Social Conditioning

KENNETH MINOGUE

In the vocabulary of conditioning, responses can be "triggered." This essay on the idea of conditioning is a response, and I can explain precisely what "triggered" it. At a party on Christmas Day at Hampstead in London, I came across a young man wearing around his neck a studded dog's collar. It is necessary to emphasize that I mean a collar appropriate to a dog, and not simply a clerical collar. But trading on that possible confusion, I immediately asked him whether this decoration was a witty way of proclaiming that he intended to become a clergyman. When he denied this, I suggested that possibly it proclaimed that he was a cynic, since the Greek word *kynikos* means a dog. Wrong again. Launched on the game, I remembered Alexander Pope's couplet:

I am his majesty's dog at Kew
Pray tell me, Sir, whose dog are you?

But he managed to exhaust all my ingenuity, and finally explained to me what he meant by the dog's collar. It symbolized the human condition. It was not difficult to work out what he meant, for he was expressing one of the commonest views of what human beings really are.

We imagine (so the opinion runs) that we are superior to animals, yet we are actually nothing more than a set of organismic responses to stimuli like smiles, packaging, gender codes, the connotations of words, images, and symbols of all kinds. Hence it is appropriate that Pavlov, the famous Russian scientist who developed a conditioning theory of learning, should have made his most famous experiments on dogs. For all our illusions of superiority to the animal world, our life is nothing else but a form of higher salivation. Lurking in the background of this young man's position was a revised version of the Socratic paradox: not "I am wise in that I know that I am ignorant," but rather, "I am free, or at least rather superior to the ordinary person, in that I know that I am conditioned."

One does not have to have adventured far into the realm of ideas to recognize in this position a version of one of the central beliefs of the western world in the twentieth century. It is, I think, a fundamentally religious belief, and it may be the only religion still

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thriving in European civilization. It consists of believing that we are oppressed, that part of this oppression takes the form of alien ideas inside our own minds, and that the business of life is to liberate ourselves from this oppression.[1] Such a central core is to be found in two distinct versions, both of which are fakes for reasons I shall explain. One version is political, and discovers oppression in the nature of our social arrangements. The oppression may be based on class, sex, race, nation, or much else, and the liberation consists in revolution and the achievement of a true community in which—as it were—dog does not eat dog, and everybody helps with the washing up. This is usually a rather melodramatic version of the belief, and the believers discover themselves to be persecuted by patriarchy, the bourgeoisie, imperialists, WASPs, and much else. There is also a spiritual version, found in a thousand cults, most of them parodying some Eastern religion. Here we find as the fundamental belief the idea that man contains within himself a spark of illumination which could liberate him if only it could blaze forth. The problem of finding this true self is that the detritus of western rational thinking, the ambitions of the rat race, vanities, habits, aggression and the rest of the internal "static" have made us imperfect receivers of messages both from the illumination within and the vaster light beyond.

Neither of these types of doctrine is quite what it seems. The ideologies look political, but what they actually seek is to destroy politics altogether. Marx and Engels desire, as well as predict, that the state will wither away. And the cultic versions look like expressions of spirituality, but have altogether lost interest in the moral dimension of human life without which mystical exercises are mere expressions of technical virtuosity. Transcendental meditation, to take one example, is concerned with peace and happiness and power, not in any central way with goodness. And this move from the moral interest to the technical is why such cults flourish in a technological era like our own: they are, in fact, nothing else but exercises in a superstitious technology of the mind.

1. The belief I am discussing may be found at all levels of seriousness. As Michael Leapman writes when introducing an article on the National Association to Aid Fat Americans, "Few self-respecting Americans do not nowadays regard themselves as part of an oppressed and stigmatized group. Day after day, our sympathies are sought by indignant blacks, women, homosexuals, landlords, tenants, Irish, old people, young people. . . the list is endless." *The Times* (London), July 3, 1981, p. 12.

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The idea of social conditioning thus refers to the set of thoughts and attitudes which we must (according to these beliefs) conquer if we are to be truly free and rational. It is thus the central idea in a conception of human life as an adventure in self-improvement which can be measured by the extent to which we liberate ourselves from our conditioning. These salvationist doctrines are, in detail, enormously varied. My concern is not with the details but with the formal structure which underlies the whole enterprise. The point in each case is to create a higher version of humankind. Such a point is evident in the symbolism of the dog collar. For a dog is to the ordinary man as the ordinary man is to—what? A superman? A god? The answers range from P. D. Ouspensky's theme of the higher evolution of man to Marxist ideas about the new man who must be built to live in the socialist order.

Conditioning and Christianity

Since my concern is merely with the idea of social conditioning, it cannot include the wider ramifications of this idea. But there is one point which will help to put this matter into context. The religious core-idea that concerns me is clearly very different from the core-idea found in Christianity. In speaking of Christianity, I am concerned not with any particular version of that religion, but with those formal characteristics of Christianity which underlie the whole of western civilization. Christianity asserts that God created a perfect world which went wrong because of sin. This condition cannot change within history. The very concept of creation means that man is unbridgeably inferior to God, and hence that any idea of union with God could only be a matter of metaphor. All human transactions are distorted by sin, and the only appropriate attitude is that of humility and acceptance. It is obvious, of course, that this religion is entirely compatible with the most active transformation of the world. What it is not compatible with is any idea that man can, by his own efforts, transform his own character. Such a possibility involves an entirely different conception of both man and God, and can provoke in Christians only a few Pascalian mutterings to the effect that whoever tries to make men into angels will succeed only in turning them into devils. The idea of social conditioning, then, when it becomes entangled in these elevated intellectual regions, is a piece of scientific terminology which conceals the moral and theological issues raised by a proposal to transform the human race.

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Our first task must be to explain the idea of conditioning, as it appears in three related fields: psychology, metaphysics, and politics.

Theories of Conditioning

Conditioning began its rise to fame with the experiments made early in the century by the Russian physiologist Anton Pavlov, who constructed a theory of learning based on the observation that some physiological responses may be produced not only by a natural or "unconditioned" stimulus, but also by associated stimuli. Dogs begin to salivate at the sight of food. This is the "unconditioned" response. They can be taught to associate other stimuli (the ringing of bells, the appearance of lights) with food; and so long as the association continues to be "reinforced," they will continue to respond. If the association begins to break down, then the conditioning will soon be "extinguished." The terms in quotation marks have become items in the terminology of learning theory, and later psychologists of a behavioralist disposition, such as J. B. Watson and B. F. Skinner, have followed Pavlov in widening the range of the theory far beyond dogs and simple reflexes so as to take in the most elaborate and complex of human responses. Skinner, for example, has developed a theory of superstition in terms of accidental reinforcement. This theory is taken to be confirmed by experiments with pigeons who, randomly rewarded, begin to behave as if the rewards are "caused" by the behavior in which they happened to be indulging when the reward occurred.

It has always been characteristic of science that it explains the complex in terms of the simple; and hence the idea that man is nothing but a very complex organism has been an irresistible implication of science ever since the days of La Mettrie's *L'homme machine*. We find the same idea clearly stated in Skinner's early work: "The hypothesis that man is not free is essential to the application of scientific method to the study of human behaviour."[2] This formulation is, however, misleading. The idea that human beings are law-governed organisms is not a hypothesis, but rather a presupposition without which no one could advance properly scientific hypotheses about human behavior. And behaviorism is that doctrine in psychology which argues that psychology can only ad-

2. B. F. Skinner, *Science and Human Behaviour* (New York: The Free Press, 1953), p. 447.

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vance by abandoning all such ideas as the will, introspection, inner thoughts and other such "ghosts in the machine."[3] The object of study must be man understood as a complex organism, and hence the model of plausibility in human behavior must be soldiers saluting and other such apparently in-built responses to stimuli. "When the Jewish child first learns to read," Skinner tells us, "he kisses a page upon which a drop of honey has been placed. The important thing is not that he will later salivate at the sight of a book, but that he will exhibit a predisposition 'in favor of' books."[4] It is along these lines that a whole psychology of learning and self-control has been developed, in which stutterers are reinforced in speaking fluently by sympathetic responses, and sex maniacs discouraged from their dreadful practices by aversion therapy.

The great vogue of the idea of conditioning depends, then, upon the fact that it plays a central part in one area of psychology. In this area, its vogue is supported by such other concepts in biology and biochemistry as "imprinting," in which an accident of association in young organisms becomes a law of their behavior. When people talk in pseudo-scientific terms of "pressures," they are invoking the same paradigm of explanation. Similarly, explanation of human acts in terms of supposedly biological cycles like adolescence and the menopause draws upon the same material.

Second, the idea of conditioning plays an important part in philosophy, and I suspect that this usage is also relevant to its current vogue. The whole idea of a cause, which is arguably central to scientific explanation, may be understood in terms of the necessary and sufficient conditions for the occurrence of an event. Perhaps more importantly, God is philosophically taken to be Unconditioned, thus distinguishing Him from all phenomena of which we have experience. Quite what such an idea would mean is something no one can give much account of, but there is no doubt that being unconditioned amounts to a dream of power, and it is indeed an illusion of human beings that they can attain an unconditioned state. The sage who finds "that content surpassing wealth" by means of meditation has put himself beyond the reach of the ordinary human conditionalities on which our happiness generally depends. By destroying conditioning, we may imagine that we have become free in a way that extends our power.

3. The reference is, of course, to the criticism of Cartesianism found in Gilbert Ryle, *The Concept of Mind* (London, 1949).

4. *Op. cit.*, p. 57.

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Third, there is an extended and weakened idea of conditioning which, drawing its plausibility from psychology, dominates our understanding of how people influence each other in fields ranging from education to propaganda. We are often tempted to distinguish the good and the bad in education by the use of a term like "indoctrination," which is a process by which ideas and attitudes are thought to be imposed upon other people. I have even seen the metaphor of "injection" used to convey the idea. "Programming" from computerspeak is another variation. Similarly, in politics, propaganda is the attempt by interested parties to make others think thoughts convenient to the interested parties. One of the dimensions of modern warfare is the battle of propaganda.

When this idea picks up the experimental reasonance of conditioning, it results in the idea of "brainwashing." This word became famous in the early 1950s as a name for the techniques by which North Korean communists induced some American prisoners of war to confess to "germ warfare." That men could be forced to lie by torture is hardly a new discovery, but such dramatic events as the absurd self-incriminating confessions of defendants at the Moscow purge trials in 1936–38 had made everyone aware of the totalitarian use of these techniques, which were, in the Korean case, deliberately patterned upon Pavlov's experiments in causing such stress to dogs that their personalities broke down altogether. Subsequently, William Sargent[5] argued that the conditions for such breakdowns of personality with resultant heightened sensitivity to outside influences could be found in a range of common conditions, from rock concerts to the practices of certain religious cults.

Conditioning and Responsibility

Now the combined effect of this cluster of ideas is to erode the traditional model of moral responsibility for human acts. The arena in which the borderline between the scientific and the moral models of human action is most unstable is, of course, the court of law; and there seems to be no satisfactory intellectual account of how human acts could be divided between the contradictory attributes of conditioning and responsibility. On a deterministic view, everything we do is the outcome of nature, nurture, and condi-

5. William Sargent, *Battle for the Mind: A Physiology of Conversion and Brainwashing* (London: Heinemann, 1957).

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tions; on a moral view, everything except what can be shown to be the direct outcome of sleepwalking or hypnosis would be acts for which we are accountable. This is a question on which there is a huge literature, and I am certainly in no position to settle it now. All I can do is point to the fact that the idea of social conditioning has become a large component in the explanation of those irrational features of human existence which constitute "mitigating circumstances" in the judgment of an action.

Conditioning thus stands for an alien element within the self for whose effects we are not responsible. When, to take the most obvious kind of example, we excuse some youth from the slums for some violent or criminal act on the ground that he has been conditioned all his life to respond to his circumstances in that way, we make a plausible enough judgment. But in doing so, we threaten to leave no room at all for the idea of moral responsibility; and if we press this model of explanation further, we run the danger of making a responsible act altogether impossible. For any actual human being acts at a particular moment when some limited elements of his personality are uppermost, and it is always arguable that his action is the outcome of something other than his true self.

The idea of social conditioning has become one of the master ideas of the twentieth century, and it is not difficult to see why. We see our own rationality close up, and that of others from a distance. And since the attitudes and beliefs of many other people often seem to us to defy all rationality, it is convenient to be able to explain them in terms of some alien manipulation of the mind. Communists believe that the populations of western societies have been conditioned to a consumer ethic; and parents whose children have taken up with cults are prone to believe that the cults have brainwashed the children. Whatever the plausibility of this and many other versions of the conditioning argument, there is no doubting the rhetorical convenience of the idea. Our next task must be to sketch out the enormous range of applications it has developed in the last century or so.

It is well known that one man's dream is another man's nightmare; and the historical roots of the idea of conditioning go back to the Enlightenment hope that the nurture of human beings could become scientific. If so, then philosophers, if equipped with political and educational power, would be able to bring forth upon this planet an altogether superior class of human beings: rational, unprejudiced, free from superstition, and beyond any temptation to

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the mad aggressions recorded by history. In writers like Condillac, the term "education" became a kind of respectable word to describe a process of personality-formation which we would today call conditioning, though conditioning, of course, of the supposedly benign sort revived in our days by B. F. Skinner. The theory on which this was based seemed at the time to be progressive and scientific. It was widely believed that science has "proved" that man was an organism behaving according to discoverable laws of behavior. This belief rested, in fact, upon confusing a conclusion with a presupposition: there can be no science of human behavior unless human beings are taken to be a field of phenomena governed by discoverable laws; and to the extent that this is true (which is limited) a science of human behavior has prospered. But no science can prove a presupposition; indeed, sciences do not, strictly speaking, "prove" anything at all.

Power and Control

The modern scientific theory of conditioning stems, as we have seen, from the work of Pavlov late in the last century; and it has been continued by behaviorists such as Watson and Skinner. The latter has revived the dream of a world saved from madness and folly by the conditioning of experts. But this scientific exploration of the idea has been less influential in making the idea current than political developments. From the rise of communism and fascism to power in the 1920s, it has been clear that the advance of political power depended upon the engineering of beliefs; hence propaganda has, in an age of democratic rhetoric, become a form of communications technology. Hitler was said to have mastered the technique of the Big Lie, which was so big that ordinary imaginations, not being able to comprehend that anyone could be so barefaced as to say anything so outrageous *unless* it were true, would collapse into a reluctant assent. Simple techniques such as repetition, and use of peer group domination, were thought to break down the resistance people had to the doctrines of governments; and this led psychologists in the West to investigate how far an innocent subject would continue to affirm some obvious truth (such as the comparative length of several lines on a piece of paper) against the unanimous derision of planted witnesses who asserted what was evidently, on inspection, false.[6] Writing long

6. *Totalitarianism*, a collection of essays edited by Carl Friedrich (New York: The Universal Library, 1954), captures this mood very well. *See* especially "Ideo-

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after in tranquillity, the most intelligent of Hitler's lieutenants distinguished earlier tyrannies from that of Hitler in the following terms:

> Through technical devices like the radio and loud-speaker, eighty million people were deprived of independent thought. It was therefore possible to subject them to the will of one man. . . Earlier dictators needed highly qualified assistants, even at the lower level, men who could think and act independently. The totalitarian system in the period of modern technical development can dispense with them. . . .[7]

Even more fascinating was the way in which power could be exercised over men who had given their lives to a cause so as to make them confess that they had actually betrayed that cause, the confession being manifest nonsense. It is out of phenomena of this kind that novels like *Darkness at Noon* by Arthur Koestler and *1984* by George Orwell came to dominate the contemporary imagination.[8]

logical compliance as a Social-Psychological Process" by Marie Jahoda and Stuart Cook, p. 203. The experiment I refer to is by Solomon E. Asch, "Effects of Group Pressure upon the Modification and Distortion of Judgments" in *Readings in Social Psychology*, Ed. Swanson, Newcombe, and Hartley (New York: Henry Holt, 1952). It was observed that often the naive member of the group would look perplexed, fidget, mutter to his fellows. Still, as Hannah Arendt points out in discussion (*Totalitarianism*, p. 228) it is perfectly sensible to allow one's sensory judgments to be modified by those of others; hence this is not a case of *ideological* compliance.

7. Quoted in Maurice Latey, *Tyranny: A Study in the Abuse of Power* (Harmondsworth: Penguin Books, 1972), p. 35.

8. How recent is the exploration of these possibilities is an interesting question. Not very new, I should guess. Consider an incident in the history of the Ch'in dynasty related by Ssu-ma Ch'ien:

> In order to find out how far his authority carried, Chao Kao presented a deer to Erh Shih, the while calling it a horse. Erh Shih then inquired of those about him "But this is a deer!" His entourage all replied: "It is a horse." Believing he was suffering from some delusion Erh Shih became alarmed and summoned the Great Divine to prognosticate the matter. The Great Divine said: "When performing the suburban sacrifices in Spring and Autumn and making offerings in the ancestral temples, and to the spiritual beings, Your Majesty had not been pure in his fastings, and that is why he is come to this. . ." This is quoted in Leonard Cottrell's *The Tiger of Ch'in* (London: Pan Books. 1962), p. 191. Cottrell goes on to remark that "This was the first of a series of 'brain-washing' operations designed to destroy what little self-confidence Erh Shih possessed."

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The Korean War popularized a new version of the idea: brainwashing. And here the derivation from Pavlov was explicit. For the Korean captors of American soldiers were recognizably in a position of clear superiority to their prisoners, analogous to Pavlov's superiority to his dogs. The Koreans could (like the Nazi interrogators before them) determine almost all of the stimuli affecting their prisoners and could, by deprivation of food and sleep, make their victims the more pliable and suggestible. It is no wonder that many soldiers confessed to involvement in germ warfare. No wonder, also, that this scenario of interrogation has seized upon the modern imagination. It has, as we noted before, been generalized by William Sargent into a general theory of stress and susceptibility.

The next stage of the story may be called: The Hidden Persuaders meet the Military-Industrial Complex. A sociological popularizer called Vance Packard, earlier known as the inventor of the Organization Man, made a celebrated figure out of a motivational researcher called Dr. Dichter. Dr. Dichter's claim to fame was that he had discovered such hidden truths as that men subconsciously associate sports cars with mistresses and sedans with wives. Motor car manufacturers had thus accentuated sexual symbolism in the chassis of sports cars (the very word chassis, of course, had long had sexual connotations) and sold more of them than they had expected to. It was Dr. Dichter who made the discovery that many women had repressed exhibitionistic tendencies, and thus sold millions more bras on the basis of a promotion having the slogan "I dreamed I stopped the traffic in my Maidenform bra." Mr. Packard's ideas were taken up all over the world, particularly his concern with advertising in cinemas through subliminal stimuli which occurred too fast for the consumer to realize that he was receiving a message at all. Material like this gave a great fillip to the more melodramatic versions of the idea of social conditioning.

Into this stream of preoccupations there came to be fed social theories about the ideological conditioning necessary to sustain the capitalist system. A celebrated version of this doctrine was Herbert Marcuse's idea of repressive tolerance, a particularly brilliant extension of the idea of social conditioning, since it meant that even at the very moment when people were being explicitly encouraged to be critical and consider new ideas, they were actually being conditioned to passivity in the face of a fundamentally oppressive system. Marcuse's late-flowering celebrity coincided with the development of feminist uses of the idea.

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Women, it was said, were conditioned because they had internalized the norms of the fundamentally oppressive relations of patriarchalism.[9] And in more recent times, critics of modern society have concentrated upon "the media" as the dominant channel of information which "conditions" our view of the world.

I mention these signposts merely to prove that the idea of social conditioning, in a great variety of forms, has led to the central modern belief: That what we think and how we act are constantly being thrown off balance by alien influences, and that if only we could free ourselves from the prison of our conditioning, we would be able to enter upon a heritage of higher humanity merely glimpsed in all hitherto existing societies.

Is Conditioning Possible?

Having thus laid out the background to the idea, let me immediately say that social conditioning is impossible. Indeed, let me go further and say that any kind of conditioning is something that cannot be done to a human being at all. I am, of course, here taking "conditioning" in the scientific sense in which it was first used. To "condition" a human being would have to mean that some conditioner (i.e., one or more people) had caused the object of the experiment to behave in an entirely predictable way on the application of a stimulus; for that is the kind of thing that Pavlov did with dogs. And to see why it is impossible, one need merely note several features of the Pavlovian experiment. First, in order to get the response he wanted, Pavlov had to tie the dogs up and blinker them so as to isolate the stimuli they were receiving. Such complete control cannot usually be achieved in dealing with human beings, and even if it could, it would generally fail to deal with the flood of internal stimuli in the form of thoughts and sensations, memories and reflections, which constitute the inner life of a person. The exception here is evidently that of the interrogation of

9. Thus a relatively cool and academic version of the idea: "A few studies report on differences among women of different gender role orientations. If the argument holds that women's strategy or style of rationality is altered by internalizing the norms of an oppressive relationship, those who reject the traditional relationship should differ in their choice of behaviour from those who do not. This, after all, is part of the reason why movements of 'liberation' place such emphasis on changes of 'consciousness.'. . . there is probably no other relationship so few are willing to characterize as oppressive. Oppression of women and female dependence are so ubiquitous they appear natural to women and men alike." Virginia Sapiro, "Sex and Games: On Oppression and Rationality," *British Journal of Political Science* Vol. 9. Part 4 (October 1979), pp. 402–406.

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prisoners, a point to which I shall return. Next, we may note that the conditioned responses were simple organismic reactions like salivation, and hence not much connected with thought and action. And finally we might note that the behavior tends toward "extinction" unless it is constantly reinforced. It is no doubt a grand dream of power that some people—rulers, advertisers, gurus—might have over others the sort of control we may admire in the ringmaster of a circus; but it is quite impossible.

The possible exception to this is, of course, the power that interrogators have over prisoners. They can give them drugs, interfere with their diet, and control the amount of sleep enjoyed by their victims. This is the nightmare of brainwashing, created in the Korean War and endlessly replayed in a thousand versions from spy fiction to the reports of practices among religious "cults." Hannah Arendt has argued that the hidden rationale of the concentration camps of the Nazis was that it ultimately reduced human beings to a bundle of reflexes; and since a bundle of reflexes is not a human being, the ultimate extinction of life took on a different significance. I presume that something like total control over a human being in this way is possible; and that a person might indeed be reduced to a mere organism. Proper evidence on the matter is, for understandable reasons, extremely sparse, and I am inclined to think that some element of reflection and awareness will be found under all conditions. Nevertheless, two points seem to be clear. First, that in order to condition someone to anything more than a simple reflex, one must first destroy him as a human being. And second, there is the empirical point that the conditioning will not long outlast the control. How many returned American prisoners of war believed the nonsense about germ warfare in which they had been drilled? That the effect upon them of such horrible experiences may well still give them nightmares is indeed likely. But the interrogators could not determine their beliefs and attitudes once the subjects had passed out of their control.

It will be obvious, I think, that no society could possibly have the same control over its citizens as that of the interrogator over his prisoner. There is no doubt that totalitarian regimes do dominate the lives of their subjects in highly influential ways, but none of these ways begins to approach the level of conditioning. The fundamental objection to the whole idea is, then, very simple: it is that *people think*. They often think in muddled and idiotic ways, but their thoughts soon begin to modify the effects of anyone who tries to determine what they think and do.

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Conditioning or Influence?

Now there is, of course, an obvious objection to this knockdown argument against the possibility of conditioning. It is that most people don't use the word "conditioning" in this severely technical way. All that they mean by conditioning is a situation in which people are strongly influenced, thrown off balance, unable to make a rational response to what is happening to them. Is it not obviously the case that children are being constantly "conditioned" by the pressures of family life and of school, and consumers by the pressures of fashion and advertising? Was it not indeed the proud boast, attributed to him (perhaps mischievously) by Voltaire, of Ignatius Loyola: "Give me the child for the first seven years and I will give you the man." Are not human beings visibly the outcome of the role models and peer groups by which they are surrounded? Hence (so it might be said) the objections I have presented to the idea of social conditioning are mere pedantry, and depend upon an absurdly technical definition of the word. It may be admitted that the vogue for the actual word "conditioning" itself may be one more example of that deplorable vulgarity by which people misapply technical words in order to sound impressive. "Conditioning" thus belongs with "parameter" and "schizophrenia" in the class of frequently misapplied technicalities. But on the facts of the case, so it might be thought, there is no controversy. We all agree that human beings are often easily influenced, that they think in a crooked fashion, and that they acquire habits and attitudes of a mechanical kind which are remarkably difficult to break. Where else can they have acquired these habits and attitudes than from society?

This objection suggests that we all agree on the facts, and that the whole problem merely arises from confusion about definitions. And facts are facts, it will be said, whatever words we choose to describe them. Yet our understanding of the world is very greatly affected by the concepts we acquire in the course of our experiences. We sometimes, for example, have the illusion of having understood more when we have merely learned the technical word for a process which we understood perfectly well in the first place. Such intellectual experiences are the cognitive equivalent of swagger, and the problem is that people who understand a theory sometimes jump to the conclusion that they now understand the world the theory purports to explain. It no doubt did Molière's M. Jourdain little harm to discover that he had been talking prose all his life; but many of those who mastered the Keynesian theory of

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fine-tuning an economy do seem to have ended up thinking (as Keynes did not) that the production of wealth depended entirely upon adjusting interest rates and managing demand. It is indeed true that there is widespread agreement upon such facts as that human beings are often easily influenced, can be very gullible, are more affected by what they wish to happen than by objective considerations, and apply such rational capacities as they have patchily and unevenly. But what happens when the simple idea of influence is replaced, in making this point, by the pseudo-scientific idea of conditioning?

For one thing, conditioning is crisp and clear, whereas influence is amorphous. To be subject to an influence is an ordinary human experience, and the influenced thinks about the influencer, and can generally select, according to his wits, what he will and what he will not imitate or accept. He may not select wisely or well, but some selection is inevitable. In the ordinary course of life, many influences bear upon us and they often come into conflict. We are thus forced to choose, and the process of responding to influences is one we are all familiar with. The very word "conditioning" however impels us toward an understanding of human life much more portentous than a mere change of wording: it impels us toward an entire model of explanation. All conditioning relationships involve an (active) conditioner and a (passive) conditioned. Great teachers who strongly influence their pupils often insist, and rightly, that they have learned as much from their pupils as their pupils from them; this would be an absurd thing for a "conditioner" to say about a collection of people who have been "conditioned." Conditioning, further, is a pretty low-grade activity which can only result in the appearance of an "attitude" which must itself be judged by some higher intellectual activity. One might sensibly say: "I was influenced in understanding this phenomenon by. . . ." but one would not say "I was conditioned to understand this thing by. . . ." Finally, we commonly judge influences upon us as being good or bad, but "conditioning" is something which, when we discover it, must be thrown off and replaced by something superior: presumably rational or intelligent understanding.[10]

It is thus the case that everyone, as they grow up, must recognize that they have been influenced in a great variety of ways; and

10. The exception to this is B. F. Skinner's benign conditioning in *Walden Two*. But a form of social control can hardly masquerade as a Utopia.

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will feel grateful to many of these influences for the benefits they have conferred. But to discover that one has been conditioned is not at all the same thing. Such a discovery is a realization that some of one's thoughts, attitudes and reactions have been irrationally acquired by way of social pressures and ought at least to be reconsidered and perhaps abandoned.

It follows that the mere substitution of the pseudo-technicality of "conditioning" for such ordinary words used to describe the same field as "influence" already carries us into a much more activist moral idiom. Indeed, the very currency of the word is enough to set up a virtual program of moral reform consisting in the self-eradication of those conditionings which continue to be discovered. To adopt a Marxist position becomes a matter of warring against the bourgeois ideological conditioning which the convert will undoubtedly discover in himself; while conversion to feminism often involves "consciousness raising" sessions in which the battle against the conditioning of the traditional feminine role may be conducted. The general result of adopting the doctrine of conditioning is to establish a civil war within the soul, in which the convert finds himself doing battle against aspects of his or her own character. For what else is "character" (if seen in these terms) except some form of conditioning? It is true, of course, that the currency of the word "conditioning" is widespread in circles where people do not hold systematic theories about the actual content of conditioning such as I have used as illustrations; and the word may thus in many cases be a harmless inexactitude about terminology. But it retains a potential to influence later behavior, a kind of latency similar to that of our bodies which contain, so biologists say, many germs which can become harmful under special circumstances.

In developing this argument, I have on occasion referred to considerations of a high metaphysical level; and they become appropriate here once more. The traditional view of our own character which our civilization has inherited from Christianity is that how we are is something we must accept. We must, of course, change our behavior so as to conform to our duties, but for the rest, it is our business to accept ourselves, improve our character, and recognize with humility our inevitable deficiencies. The concept of conditioning, by contrast, belongs to what one can best call a technologico-spiritual idiom, in which our character is understood to be a kind of mechanism subject to malfunctioning which will reveal itself in lack of power to achieve the objects of

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our will (commonly in such fields as eradicating habits we deplore in ourselves) and to achieve such a ration of reliable happiness as we think appropriate. Merely to transpose our idea of human life into such terms as conditioning thus tends to promote a self-consciously activist idea of the moral life.

The subject being impossibly large for this format, I shall focus on what I shall call the rhetorical structure of the conditioning model of explanation. The model incorporates a Conditioner, a Conditioned, and a third abstract personage whom we shall have to call, clumsily, a Realizer. Let me consider each of these components in reverse order.

Self-Discovery by Numbers

The verb "to realize" belongs to a group of verbs ("refute" is another example) whose very meaning incorporates the idea that we know what the truth is. If it weren't true, I wouldn't say "I now realized that Smith had entered the room" but rather, "At that point I believed (or imagined, or thought) that Smith had entered the room." To realize, as Gilbert Ryle says about this type of expression, is a "success" word.[11] To say this is to make a point about the logical grammar both of "realize" and the psychological process of conversion. When a person has been converted to a religion or to an ideology, or away from either, he or she believes, in the moment of conversion, that he or she has "realized" a truth previously concealed. Realizations are very interesting moments of the moral life. Most short stories and plays deal with moments when the characters realize something about themselves or others which they had not previously believed. And it is of course particularly the case with educated people, who think a great deal in an abstract way, that the moral life consists in a succession of such realizations.

Now any structure of belief, whether it be Christianity, or Sufism, or Anarchism or anything else, is a kind of engine for producing whole successions of realizations or revelations about one's inner life. And to realize that one has always been conditioned in such and such a way is a very common content of modern realizations. Some people discover from their psychotherapist that they have been conditioned to be something rather mysteriously called "over-punctual" or "over-conscientious." (This conditioning is the

11. *Concept of Mind,* p. 143.

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supposed generator of feelings of anxiety.) Some Marxists seem to have discovered that they had been conditioned (for example) to regard the unemployed as lazy, but they now realize that such people are the victims of a system. Feminists have been known to make the discovery that they had been conditioned, as women, to be agreeable to everybody, and a common "solution" has been a training in aggression, known as "assertiveness training." (Whole books are written about it.) Consumers are often thought to have been conditioned by advertisers to buy a new machine rather than repair a broken one. And so on.

It needs hardly to be said, of course, that these realizations are no more likely to be true (or indeed false) than any other idea that people get into their heads. The logical grammar of the verb "to realize" merely means that truth is entailed in the meaning of the word; not at all that the content of the realization must be true. But when we realize something, we are being active and we usually imagine we have discovered some previous blind or perhaps victimized part of ourselves. "God! What a fool I've been," the hero of Hollywood movies used to cry as he headed back to claim the heroine; but that was no guarantee that he wasn't also being just as big a fool at that moment. (Given some of those heroines, he almost certainly was.) When the content of the realization is that some habit or attitude of mind was in fact a matter of conditioning, then the person has, as it were, divided himself into an active and a passive part. The active part is the Realizer, the passive part is the Conditioned, and the person construes himself in that respect as having been victimized. As "conditioned to excessive punctuality" I was a mere thing, a mechanism, suffering experiences over which I had no control; in the moment of my realization, I take on personhood—at the price, however, of reifying some now rejected part of my personality as it has hitherto operated. Further, the conditioning has usually been an alien influence: parental mistakes in toilet training may perhaps have conditioned me in this way, but I am, in realizing, about to take the first steps in liberating myself. What I am liberated *from* must always be something construed as alien to me, even though it may in fact be my own natural propensities.

The crucial point is that, in construing some facet of my behavior as alien, I cut myself off from self-understanding. For it is obvious that there can be no habit of behavior which I develop which does not have *some* contact with my natural inclinations. In the traditional idea of the moral life as a process of continuing devel-

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opment, I discover features of my own character never properly understood before. In the conditioning model, I merely discover that I have been the victim of alien influences. Self-discovery is thus impeded by the assumption that the rejected component of the self had no connection with the real me. And this feature of the concept of conditioning corresponds to a further fact about the model of conditioning: that what I am being liberated *into* is something abstract and fixed. The women who try to slough off their inherited femininity like an old snakeskin are drawn toward an abstract ideal of liberated womanhood entirely unconnected with their individual character. By contrast, the traditional theory of moral development, which depends upon realizations less dramatic and pretentious than the discovery that we have been conditioned, is a combined process of self-discovery and self-understanding in which the direction of movement must be given by the individual himself. Moral development must, indeed, be moral; but this means no more than that the process accords with abstract criteria of right and wrong. The concrete development depends upon the individual himself: urban or pastoral, philanthropic or intellectual, all depends upon the specific personality of the subject. This is why modern western society has produced, over the last four or five centuries, an abundance of individual personalities, a thriving interplay of nature and nurture, as in a *jardin anglais*, or in that most individualistic and characteristic art form of our civilization, the novel.

By contrast, the ideological and occult versions of the idea of conditioning are concerned with a de-individualized personhood of a much grander kind: socialist man (in whom the conditioned egoisms of capitalism will have been extinguished), liberated women who may or may not be masculine but will certainly be androgyne, and other more highly evolved forms of humanity,[12] none of them recognized as an individual, with both the weaknesses and the distinctiveness implied by that word. But what is, on this model, the "conditioned" is from another point of view simply the character I have developed.

Personality and Reason

In general, the more automatic a response, the more plausibly it may be classified as conditioned. By such a test, most of our be-

12. For a compact version of this idea, the reader could do much worse than consult P. D. Ouspensky, *The Psychology of Man's Possible Evolution* (London: Hodder & Stoughton, 1951).

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havior has been infected: everything, from our manners, our dietary preferences, the occasions when we smile or give way to expressions of discontent, and so on. In the much earlier versions of the idea of conditioning, which were closely linked to rationalism, the old-fashioned soldier on the drill ground was the very epitome of a conditioned man. He saluted his officers without a thought, and had been trained in such a way that obedience to a command was so deeply entrenched in his muscles as to require no intervention of thought. He was, as far as is possible to a human creature, untroubled by the noise of cannon or the fear of death. A soldier of this kind could certainly not turn himself over night into an intellectual or a peasant; but then, the infinite flexibility to which the idea of rationality points us is not in fact attainable by anyone. For it is part of a human being to be a structure of learned responses around which rationality plays in often indeterminate ways. And this point is so fundamental that there is much disagreement about what should replace it. For the rationalist, an individual's character is construed as habit, routine, and prejudice and must be sloughed off in favor of a rational response (which would not differ from man to man) to each new situation: a conception of life so fatiguing in prospect that it is a relief to recognize how impossible it is. More recently, we have seen those who wish to slough off their bourgeois conditioning in order to attain the authenticity of the proletariat. As we have suggested, such an aspiration leaves no room for individuality: that is, perhaps, its point. Encounter groups of a thousand kinds seek a way through the maze of a lifelong conditioning to the treasure house of authenticity by way of unbridled rip-roaring self-expression. Occult groups may be found purging the mind of thought, or developing consciousness so that it rises above the supposedly mechanical aspects of our personality. (They are in fact much less mechanical than they look to a superficial observer.) But in all cases it will be found that much if not all of individual character has been conceptually transposed into "the conditioned." Personality thus turns into a problem to be worked on by the Realizer.

It needs to be emphasized that what I am dealing with is a structure of thought so abstract that it can comprehend intellectual currents which in many ways are directly opposed to one another. I have observed that early versions of the conditioning model often look like reason gone mad. They would turn every man into a Socrates, subjecting to a continuous play of discursive reasoning every habit or judgment we inherited from five minutes

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ago. But there are other currents of thought, both political and pseudo-spiritual, in which the capacity for discursive reasoning is precisely the problem: something to which we have become conditioned by the unbalanced nature of our civilization. Socrates and Sherlock Holmes cease to be models and turn into twisted sacrifices on the altar of abstract thought: victims of bourgeois objectivity, or the unbalanced development of the brain hemispheres.[13] For in this world of thought, there are only two gears: the conditioned and the liberated. But these concepts are merely vessels which may be filled with anything that human ingenuity and current desperation may suggest.

Who Conditions?

What then of the Conditioner? It is in considering this component of the model that we can see most clearly that the idea of conditioning (outside its stricter uses in academic psychology) is but superficially scientific. For the conditioner is always an evil force in human life. It may be the capitalist sytem, the media, advertisers, the family construed as a vehicle of bad social forces, patriarchy, technocratic rationality or much else. It may be, as sometimes in a scientific utopian like Skinner, merely the accidental association which leads to a superstitious conviction; but it is, even in this case, clearly irrational. It is not, of course, entirely impossible for someone to remark: "I'm glad I was conditioned to be tidy," but it is certainly unusual, for conditioning almost always functions as a discovered evil which needs to be overcome. But how is it that an evil Conditioner can so cripple the higher qualities of humans with a destiny of higher development? The answer is always that the Conditioner strikes at human weakness. Capitalism can condition workers to false consciousness because it oppresses them and keeps them weak; advertisers can condition women to the use of vaginal deodorants because it strikes at their psychological insecurities. Cults are always supposed to acquire their domination over their members because (like the Evil One) they always

13. Robert E. Ornstein, *The Psychology of Consciousness* (San Francisco: W. H. Freeman and Co., 1972). A different version of the same idea is to be found in Carlos Castaneda's account of yaqui shamanism in a series of books such as the aptly named *Tales of Power* (London: Hodder & Stoughton, 1975). I have discussed this particular version in an essay called "The Guru" in *The Don Juan Papers*, Ed. Richard de Mille (Santa Barbara: Ross-Erikson, 1980). The essay was originally published in *Encounter* (August 1976).

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wait for moments of weakness like grief, or loneliness. In a brief discussion, it is impossible to open up this fascinating area of rhetoric fully, but there is one central point to be made. It is that the whole argument rests upon the dogmatic assumption that there is one right way of looking at the world. In Marxist argument, it must be assumed that only convictions critical of capitalism are a true perception of the world as it really is, and that everything else must be taken to be a distortion of thought. In the advertising example, it must be taken for granted that only a psychologically deranged woman could have been brought to believe that vaginal deodorants were necessary or desirable. Similarly, the argument about cults must take it for granted that no healthy minded and rational person could possibly believe in, say, the doctrines of the Reverend Sun Myung Moon. No doubt there is something to be said on all these questions. I merely point out that the pseudo-technical concept of conditioning, as used in these and all other cases, systematically obscures the fact that its validity depends upon highly contestable arguments which it tries to render peripheral.

The move from Pavlov's scientific idea of conditioning to the pseudo-scientific idea that concerns me is a move from a concrete to an abstract conditioner. Pavlov and his associates, like the brainwashers of Korea, were highly specific individuals with clear and understandable purposes in mind. Once we float the idea out into the mists of vagueness where the Conditioner becomes something abstract—society, the system, the family and so on—then any explanatory magic it might have had in its stricter sense disappears altogether. And this is the reason why, even if it were possible to condition human beings, *social* conditioning would still be a foolish expression. We can make this point in another way. If we were socially conditioned, we would all be the same. But in fact, we are not. That, indeed, is precisely the thing which seems to weigh heavily upon the thoughts of those attracted to the conditioning model of explanation: Being unable to conceive how other people can think differently from the way they think, they are driven to construct a pseudo-scientific melodrama to explain this astonishing fact. The curious paradox is that all of those who say that our civilization is conditioned, and thus uniform and limited, invariably propose forms of liberation in which the great efflorescence of individual differences which have hitherto characterized the western world would disappear forever in the uniformities of a higher life.

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The idea of conditioning thus stands for an alternative understanding of the moral life. The developing but forever imperfect moral character adumbrated in the traditional thought of our civilization has been dissolved by the conditioning model into a kind of civil war of the soul: higher realizations struggle with lower conditioning, and beckon us onward to a heaven on earth: a good society or an elite company of higher souls, wherein the irrationalities of conditioning have been forever extinguished.

Myths and Spells

The word "myth" is often misused as no more than a contemptuous way of saying that a belief is false. I hope that what I have so far said will make it clear that I regard the idea of social conditioning as being, indeed, wrong, but also as an idea of such resonance that it may suitably be described as a myth. I have argued that, on logical grounds, social conditioning is an impossibility. How has this impossibility come to be so influential?

One reason is that in a technological age, we can hardly help construing *everything* as if it were no more than material for transformation; and one of the parts of our environment we are most keen on transforming is other human beings. The idea of conditioning fits in with this desire. Conditioning is, further, entirely consonant with our instinctive belief that, except on the superficial matters we enjoy disputing with our friends, there is only one sensible way of viewing the world: namely, our own. If so, how are we to explain the foolish beliefs of other people? Social conditioning gives us an answer. I am tempted to say that it gives us a "comfortable" answer, but this use of the word "comfortable" is, of course, no more than a sophistic jibe.

But there can be no doubt about the rhetorical convenience of the idea of conditioning. The world is full of peddlers of messages, and they all meet resistance. By using the conditioning model, they can avoid recognizing that other people have reasoned things out and come to a different conclusion. They are able to say: "Your resistance to my message is because you have been conditioned." Intellectually, this has about the same explanatory force as saying: "You are under the spell of an evil magician." Indeed, it amounts to about the same thing. And this is hardly surprising, for we are dealing with a pretty unsophisticated part of the rhetorical jungle.

There is perhaps one further point to be made about the place of the idea of conditioning in rhetorical strategies, and it is a polit-

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ical one. It concerns the difficulty of promoting Marxist messages in the conditions of the late twentieth century. The problem arises from the fact that all communist governments have a grisly history of killing and lying. Since about 1956, it has no longer been possible even to pretend that Russia and China have not been riddled with these things. The problem is, then, how can Marxist ideas be propagated when they have a practical history of such unmitigated disaster? The answer consists in arguing that in reality, our situation in the West is no different. The rhetorical elaboration of this strategy is a complicated subject, but fundamentally it consists in setting up a structure of notional parallels such that any criticism of a communist regime can be blocked by reference to some equally dire practice in the West. The idea that we are all the victims of ideological conditioning corresponds, within this strategy, to the totalitarian dominance over education, news, and art in communist countries. We are, on this view, no less oppressed and dominated than the peasant in Omsk largely dependent (except perhaps for bootlegged radio) upon the Party for his attitudes to the world. In terms of conditioning the diagnosed evils of capitalist society replicate exactly the admitted evils of Communist states.

Persuaded thus, my friend at the party symbolized his condition by wearing a dog's collar. He was only a pantomime dog dressed in an ill-considered theory. Still, both people and dogs sometimes grow into the masks—and the collars—they wear. And that would be unfortunate. It isn't a dog's life. Really it isn't.

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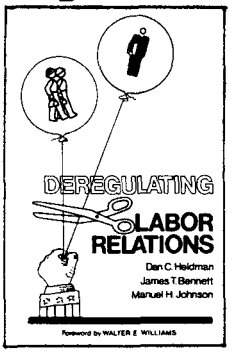

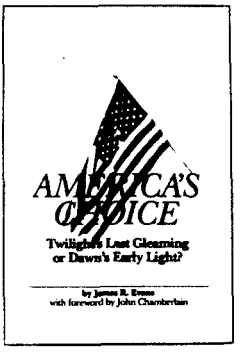

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Over There

The Riotous British

For most Americans, the spectacle of major British cities plunged into vicious rioting came as a profound shock. Was not mainland Britain a country which was, for all its faults, its reputation for bad labor relations and its apparent indifference to efficiency, above all a model of peace and stability? It was as if a maiden aunt, amiable if maddening, had suddenly taken to brawling in the street. How? Why?

The first surprise which may have struck the inquirer directing his interrogatories across the Atlantic has been the suspicious tendency on the part of politicians, commentators, journalists, and *bien pensants* generally to assure him (and each other) what the riots were not. They were not, the chorus has run, race riots. They are not, really, honestly, believe us. Those who, on the basis of what they saw on TV had the temerity to suggest otherwise have been met with the sort of assurance best summed up by the remark of the police chief in Liverpool, the worst hit of all the cities. What they had seen, he said, was not a race riot but just a lot of young blacks attacking the police. Oh! Ah. . . .

From this the inquirer will conclude that someone is surely protesting too much. Why the frantic attempts to insist that these were not race riots in some sense and that the apparent racial element was misleading? The explanation is simple. Over the last twenty-five years or so, Britain has accepted, largely through the muddle of laws designed for the imperial era, a huge colored immigration such that whole areas of the larger inner cities have been transformed into virtually alien territory. For the last fifteen years or so, a few lone voices in politics have been predicting dire consequences (producing a wave of agreement from ordinary voters and howls of execration from the political establishment).

Thus the possibility that the predicted moment had arrived was a hideous thought which had to be fought off by all those who had invested huge amounts of political, moral, and emotional capital in the notion that the transformation into a multi-racial society would be peaceful and safe. The possibility that the Great and the Good had been wrong on a scale unparalleled since appeasement

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in the 1930s (another favorite exercise of the Great and Good) was too appalling to contemplate. The riots, ran the claim, were the consequence of, Oh, unemployment, alienation, police brutality, "inner city deprivation," poor housing, and so on. True, a disproportionate number of blacks and browns had been involved in what were often multi-racial mobs. But, you see, this was because blacks and browns were the main victims of unemployment, alienation, police brutality, poor housing, and so on.

Hacking his way through all the verbiage and the establishment's evasions, the objective inquirer will note certain points.

First, he will observe that the explosions of June and July were novel in scale, but not in type. Britain's worst riots had in fact taken place as recently as April. Brixton, a predominantly black London area, had erupted into several nights of violence and looting following a well-documented incident in which an attempt by the police to take a stabbed youth to the hospital had been interpreted as police brutality. From that the riot had built up.

But even that event was not entirely novel. A few months earlier a fire in another predominantly black area had killed sixteen at the end of an all-night party. Racial attack, insisted the locals. In fact, as police inquiries and the much-publicized inquest indicated, the fire had probably been started by those at the party. Reluctant to accept any such conclusions and complaining about a police cover-up, a local so-called defense committee organized a march through central London in the course of which—poetic justice—shops in Fleet Street, the center of a newspaper industry, were attacked and looted by black youths.

But even that was not novel. Last year a drug raid on a black cafe in the St. Paul's area of Bristol, a west coast seaport, had led to a riot during which the police lost control of the area for some hours. And before that the Notting Hill carnival, an annual event in one of London's oldest black areas, had twice been the scene of rioting.

But these sporadic incidents had at least looked containable. The frightening characteristic of the June and July riots, and perhaps the April riots in Brixton, was that they constituted a real threat to the ability of the police to sustain normal law and order in the long run. The possibility of calling out troops had been discussed.

The conscientious analyst will observe another interesting feature in the spread of the disturbances. It is true that once the wave of riots had started and once television cameras had shown looting and violence, there were outbursts of imitative violence in many

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towns. But outside most big cities the events were dismissed by the police as largely hooliganism, in some cases no more than what one police officer termed "Saturday night behaviour by soccer hooligans." The real violence, prolonged, savage, and dangerous, was confined to certain major *English* cities. Now here was something thought provoking. For if the riots really were due to unemployment—and leaving aside the hard-to-explain fact that many of the rioters were in fact of school age—why were Scotland and Wales, which have higher unemployment than England, largely untouched by the riots? It is also, of course, a fact that Scotland and Wales are largely untouched by immigration. Coincidence?

There is also a footnote in the comments on the rioters which is worth examining. The riots were not race riots, ran the assurance—except maybe Southall. And perhaps Walthamstow.

These are two London areas dominated by Asian immigrants. In the case of Southall, two busloads of "skinheads" (a youth trend much cultivated by the fascist National Front) went to a Southall "Punk Rock" concert. Their loutish behavior met with an attack from local Asian youths and in the subsequent attempts to separate the mobs, the police themselves came under attack with missiles and petrol bombs from the Asians. In Walthamstow, riots followed the burning to death of a family, attributed by local Asians to a racial attack.

Race, racialism, racial alienation. At any rate there was a common factor in the troubles which only the perversely blind would deny.

The shock which the riots produced not just abroad but also for British public opinion were all the greater because of the role of the media. The National Union of Journalists, the biggest press union, has played a prominent role in disinformation. It has had in operation for some time a rule calling on its members to play down the racial origins of any disorders. This has meant in some cases that stories about substantial disorders have been wholly suppressed or described (briefly) in terms which have left many readers baffled. Curiously short items about police stations being surrounded and attacked or policemen being assailed by "gangs of youths" have appeared. Details or pictures would, of course, have given the game away. Hence the brevity or non-appearance of so many news items and the subsequent shock for so many when not only the mobs became uncontrollable but the events themselves could not be suppressed.

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Everybody knows and nobody knows. . . .

It is hardly the situation in which a free and democratic nation should find itself. The now widely accepted (and correct) view that "they" are censoring the news and that "they" are denying what others feel sure are among the causes of the riots is almost worthy of eastern Europe. The second most popular television news program carried the process a step further by conducting a poll to find out, as one of the program chiefs explained, "what people *really* think the riots are due to." Just to make sure that no one mentioned a naughty four-letter word, the eight defined alternative causes posited did not mention immigration or its consequences. The view of the public, in the poll, incidentally scarcely bore out the liberal views expounded elsewhere. Rioters and their parents were mainly blamed. A mere one percent attributed the riots to the behavior of the police. For future historians here is a tale with a moral. The press and parliament are full of stories about police brutality and "insensitivity" causing the riots. The general public is wholly unconvinced.

It would, of course, be churlish to deny that many of the criticisms made about conditions in the inner cities are justified. The it-is-so-complex school argues that the younger generation in the inner cities face problems not seen before. Moreover, they add, there has been a general social, moral, and educational decline. Now, all of this is true. Unemployment is certainly high. Crime has been rising steadily for thirty or forty years (more or less in line with affluence, as it happens). Educational standards have dropped sharply in the last fifteen years. This has been almost entirely due to the traditional pattern of British education succumbing to liberal reforms which have eliminated the smaller and often academically excellent "grammar" schools and herded all children into vast "comprehensives," ill-managed, ill-disciplined, and sometimes so liberated that grades and even formal classrooms have been abandoned.

It is also true that in so many of the inner city areas the small friendly streets have been replaced by large municipal estates often dominated by tower blocks of flats now seen as such a social mistake that some are being demolished.

It is, thus, true to say that the inner city areas have in many cases suffered a destructive dose of liberalism leading to hideous environments and a new generation of illiterate, innumerate unemployables. But popular as this sort of analysis may be with many conservatives, it is absurd for them to go along with liberal deter-

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minism and argue that these results produce, or at least excuse, riots. That would be a novel approach indeed for conservatives and potentially fatal to their normal analysis of human nature.

The dominant anxiety of the political establishment now is to try to fudge the issue. To say that the cause of the riots is "complex" has the advantage that it sounds humble and also excuses the government from being particularly decisive. A few grants here and there, more community relations officers, some pressure on the police for more "sensitivity," job training schemes, aids for housing, better riot shields and helmets for the police, more social workers—the program can be all things to all men.

Government ministers voice the hope, privately, that 1981 will simply prove to be an aberration. "We must hold out till the end of the summer" as one put it in a mood of mindless optimism. The frightening thought that the rapidly growing colored population of the inner cities, rootless, unhappy, and alienated, could produce a long-term law-and-order disaster is thrust aside. It is hard even to get the matter ventilated. To discuss it, hiss politicians, newspaper editors and program producers, would be to make it worse. With that sort of approach dominant, future historians will not find it hard to discern why Britain has been in general decline for some time.

Andrew Alexander

*German Divisions**

West German attitudes toward the Alliance are currently characterized by two main conflicts. There is a strong division about Alliance policies between the left wing of the Social Democratic Party (SPD)—and to a certain degree also of the Free Democratic Party (FDP)—on the one side, and on the other side the majority of these two parties together with the Christian Democratic Union/Christian Social Union (CDU/CSU) opposition. This internal conflict in the SPD is the latest skirmish in a permanent battle between its marxist-socialist wing and its pragmatic social democratic

*This article is adapted from a lecture given at a conference organized by the Institute of European Studies (London) in Oxford.

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wing. Behind this main conflict is a second, more sophisticated one between the SPD-FDP and the CDU/CSU opposition.

Few question the German membership of NATO. At party conventions some Young Socialists usually criticize NATO as an instrument of conserving capitalism. But, although it can be argued that there is a latent majority against the Alliance among the Young Socialists, no resolution to leave the Alliance has yet passed a national meeting.

Thus the issue is not the membership of the Alliance. Instead the defense budget, nuclear armament, the NATO rearmament decision of December 1979, and the neutron bomb are the most disputed topics.

For example, in January 1981 a group of SPD Members of Parliament requested a reduction of the defense budget by $390 million, which they wanted to spend instead on foreign economic aid. This, of course, was a tiny minority in the German parliament. But it is perhaps significant that in 1980 the Federal Republic had already failed to reach its goal of an increase in the defense budget of 3 percent in real terms. And in 1981 the Federal Republic will fail again at a time when the Minister of Defense admits that his budget is too small to finance the long-term modernization of the German Bundeswehr. Nevertheless, a left wing SPD parliamentarian called the 3 percent increase "just mad," and the NATO rearmament decision of December 1979 was heavily disputed at the SPD party convention. At that time Chancellor Schmidt gained a broad majority by linking the rearmament decision with a new arms control proposal. NATO would negotiate with the Russians on the reduction of long-range theatre nuclear forces (LRTNF) and the Pershing II, and the Cruise Missile would be deployed only if these negotiations should fail.

In the meantime it has become obvious that there is a fundamental difference in how this decision is understood. The United States and the West German opposition understand it as meaning that the production and deployment of the new weapons is one thing; the negotiation with the Russians is a second and different subject. The left however, see it in a much more coupled way. It must first be proved that the negotiations with the U.S.S.R. have failed before the new weapons can be deployed. On this basis the Brezhnev proposal of a "freeze" with regard to long-term theatre nuclear weapons was regarded by leading SPD politicians, notably Willy Brandt, as an encouraging signal. In other words, by accepting the SDP Conference compromises, the left hope that

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minor concessions by the Soviet Union will be sufficient to cancel the deployment of the new weapons.

Carsten Voigt, the SPD spokesman for foreign policy, thus proposed that the NATO decision be renounced because it was based on the assumption that SALT II would be ratified. It is difficult to understand why and how the non-ratification of the SALT agreement could have balanced the existing unbalanced TNF ratio in Europe. But Mr. Voigt's argument does not, of course, express strategic thinking but must be regarded as another attempt to eliminate serious defense efforts.

It was against this background that Chancellor Schmidt and Minister Genscher visited Washington in Spring 1981 and pressed the new administration to start negotiations with the Soviet Union. They did so primarily for domestic political reasons. But the risks of such negotiations are obvious. As long as they are in progress and the smallest hope exists that they will reach any result, there will be a mobilization of forces against the deployment of the new LRTNF. Both Chancellor Schmidt and Mr. Genscher naturally see this risk; but their domestic position is weak and they have to play politics—increasing the likelihood of conflict within the Alliance. For instance, when the German Defense Minister, Hans Apel, pointed out at the Wehrkunde meeting in Munich in February that arms control was one approach to restoring equilibrium in Europe, he was strongly criticized by several American delegates who made it clear that there is no alternative to rearmament. Domestically, the West German opposition is not opposed to negotiations, but it insists that a military balance has to be achieved first by military efforts.

Nuclear armament in general, and the enhanced radiation weapon in particular, also demonstrate the case. Indeed the general anti-nuclear attitude was mobilized during the debate on the neutron bomb. The secretary general of the SPD at that time, Egon Bahr, spoke of a perversion of human thinking because this weapon kills men without destroying homes. The usefulness of this weapon for the defense of Europe was simply not discussed in such circles. They took up a straightforward ideological position. An attempt was also made to mobilize antinuclear feelings again this Spring when a left-wing magazine, *Stern*, published a map showing the deployment of nuclear weapons in the Federal Republic. When the new administration in Washington hinted that the deployment of the neutron bomb might assist the defense of Europe, the German government argued that such discussion

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would make it still more difficult to implement the NATO decision of December 1979.

The background of all these unstable positions is that, on crucial defense issues, the government has a majority in parliament only if it gains the support of the opposition. Following the 1980 general election, more than sixty SPD members of parliament formed the so-called "Parliamentary Left." They find additional support on crucial issues among other SPD and even FDP Members of Parliament. This means that the group enjoys a veto power because the overall government majority of the SPD/FDP coalition over the CSU is only forty-four seats. Employing this leverage, the left has partly transformed the conflict between themselves and the government into a conflict between government and opposition. It may soon become a conflict between the American administration and the German government.

Public Consensus on the Alliance

In contrast to these disputes, a broad consensus on the principles of the Alliance characterizes the electorate. A few figures may demonstrate this fact. In Fall 1980 the following questions were presented to a representative sample:

Should we belong to an unchanged NATO, or should we try to gain a more loosened or a more solid NATO, or do you think we should leave NATO?

	Total %	CDU/CSU %	SPD %	FDP %	Youth (up to 24 years) %
unchanged NATO	81	84	83	78	74
more solid NATO	10	13	8	10	11
more loosened NATO	4	1	3	8	7
leaving NATO	1	1	2	2	2

Between 85 percent (youth vote) and 97 percent (CDU/CSU vote) prefer an unchanged or more solid Alliance. This is indeed a clearcut majority.

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There is slightly more controversy on the function of American troops in Europe:

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
indispensable	33	41	29	30	26
important	48	46	49	54	46
of minor importance	11	8	13	8	18
unimportant	3	2	3	5	4
harmful	2	1	2	2	2

Here again the support for the American troops is highest and strongest among the CDU/CSU vote and lowest and most reluctant among the youth vote. But in general the belief that American troops are important for the security of the Federal Republic only wavers between 72 percent and 87 percent.

The question on the withdrawal of American troops from Europe shows almost the same result:

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
withdrawal	15	10	17	14	23
against withdrawal	82	89	80	81	73

Even if the support of the American troops in Europe is high, it must be noticed that about one-fifth of the SPD vote and the youth are in favor of a withdrawal. This can be regarded as a critical minority.

This becomes more obvious and more important when the question is asked whether the Federal Republic should make financial contributions to prevent American troop withdrawal:

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
some contribution	59	62	55	63	56
a great contribution	13	14	12	8	10
no contribution	28	24	33	30	34

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If the presence of American troops has to be paid for, support remains high—but significantly lower than before on this issue. The critical minority has the strength of one-third. And even among CDU/CSU votes, opposition to financial contributions climbs up to a quarter. If those who are not willing to pay for the American presence are asked how then to guarantee security, the answer most frequently given is neutrality.

One variable that explains these differences between various groups in the electorate is the perception of the Soviet threat:

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
very great	12	20	6	7	7
great	36	44	33	32	25
not so great	38	27	47	47	53
not serious	10	8	13	12	10

Only half of the German electorate perceives a great or very great Soviet threat. If one also includes those who perceive "not so great a threat," this perception climbs up to about 86 percent, which is comparable to the support of the Alliance in general. This implies that the perception of even a limited Soviet threat is regarded as a sufficient argument for the Alliance. But is it enough for the support of effective defense efforts? The results cast doubt on that.

Among the CDU/CSU vote, the percentage of a perceived great or very great threat increases to 64 percent—nearly double the figure for the youth, the SPD, and the FDP vote. Perception of the Soviet threat is an important conflict line in the German electorate.

Moreover, general support for the Alliance is one thing, defense spending quite another. Evaluation of the German defense budget leads to the following results:

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
much too much	5	4	5	9	6
too much	17	13	19	21	26
sufficient	58	56	63	55	54
too little	15	23	10	13	10
much too little	2	3	1	—	1

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A majority in all segments of the German electorate believes that the present spending on defense is sufficient. Of those who want change, a slight majority prefers a reduction. Here it is important that the youth and the FDP votes are most in favor of a reduction of the defense budget.

If this attitude if further analyzed, it becomes obvious, that the perception of the Soviet threat is of great importance:

Defense spending	Perception of the Soviet threat			
	very great	great	not great	not serious
much too much	6	3	6	13
too much	12	10	22	27
sufficient	40	61	64	52
too little	30	22	6	6
much too little	8	1	1	2

Obviously among those who perceive a very great Soviet threat, the demand for an increase in the defense budget is significantly higher than the demand for a reduction. And the core support for reduction is found among those who do not believe in a serious Soviet threat.

These attitudes toward the Alliance have to be complemented by some statistics on trust in the Alliance. Which Alliance is superior, NATO or the Warsaw Pact?

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
NATO	15	16	15	11	18
Warsaw Pact	39	42	39	47	35
equal	43	40	44	40	44

Those who believe the Warsaw Pact to be superior, are twice as numerous as those who believe in the superiority of the West. Here differences between segments of the electorate are irrelevant.

Finally, does the German electorate believe that, in the event of Soviet aggression, NATO, including the Bundeswehr, would be

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strong enough to protect us effectively or would the Russians overrun us?

	Total %	CDU/CSU Vote %	SPD Vote %	FDP Vote %	Youth %
NATO strong enough	51	50	53	41	55
USSR would overrun	44	47	43	55	39

Only half of the electorate, with minor differences among different segments, believes that NATO is strong enough to protect its territory. If this result is compared to the perception of the Soviet threat, it again becomes obvious that it is mostly those who do not perceive a serious Soviet threat who believe in the strength of NATO:

Strength of NATO	Perception of Soviet threat			
	very great	great	not great	not serious
NATO strong enough	36	47	59	57
USSR would overrun	59	50	38	42

Inconsistency and the Forthcoming Conflict

At first analysis this appears to be a perfect example of inconsistent public opinion. People have serious doubts whether the Alliance can protect them. They realize the superiority of the other side but they also give overwhelming support to the Alliance in general—as long as they do not have to pay more. But public opinion only reflects politics. If the trend is inconsistent, the likelihood is that the politics of the last decade were also inconsistent. And so it was that people were told that they could have detente with the Soviets; therefore, why spend more for defense? The only problem is that the Soviet Union did not believe in the same theory. They have spent more, have come close to a dangerous superiority, have invaded Afghanistan, and—with the help of Ayatollah Khomeini and the American hostages—have gotten Ronald Reagan elected President of the United States on a broad consensus that great efforts must be undertaken to re-establish at least an in-

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ternational equilibrium. This new administration has increased its defense budget considerably and is again willing to accept worldwide responsibility. Its language toward European allies is still very polite—consultation is the word used most often. But how long will it accept what it sees as unfair burden-sharing. Senator Tower pointed out at the Wehrkunde meeting "If by the shortcomings of our European Allies a situation should occur in Europe where the risk for the security of our forces becomes unbearable, American public opinion will force the withdrawal of our troops. This would be a tragedy for the Free World."

In the Federal Republic of Germany a broad consensus supporting the Alliance exists. Political leadership has the opportunity to create in addition a new consensus for a higher defense budget. But until now the government has made no efforts to fight for such a goal—which can be explained by a veto power of the far left which regards Europe as an island of detente in a troubled international world. How long will the American people accept this policy? On the other hand the Soviet Union is offering *more* detente in Europe with the strategic aim of decoupling Europe from the United States. The longer the present West German government delays following the new American leadership, the more difficult it will be to get public support for stronger defense efforts and the new American policy. The Federal Republic of Germany is confronted with a period of turmoil.

Werner Kaltefleiter

The Timerman Affair

That anti-Semitism is still abroad in the world is hardly stop-the-press news. It has been part and parcel of official Soviet policy since the death of Lenin. It has been the intellectual baggage of influential elements in British and French society. The Arab world, behind the fig-leaf of "anti-Zionism," has embraced it. The Terror International, in both its "black" and "red" excrescences, has made it an article of faith. And anti-Semitic organizations thrive even in the United States.

But does the presence of anti-Semites, even when they happen to hold government office, justify the wholesale tarring of nations and peoples with the anti-Jewish brush? To the Liberal Establishment the answer is "Yes"—but very selectively. If the country in

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question has not been washed in the blood of Marx, great liberal journals like *The New York Times* and *The Washington Post* bandy the accusation of "neo-Nazism" with fine abandon. Otherwise there is silence.

Exhibit A is the case of Jácobo Timerman, the Polish-born Argentine publisher who was arrested, tried, acquitted, and exiled. Mr. Timerman, who was welcomed in Israel and repaid the hospitality by accusing its government of cowardice, contends that he was arrested and tortured because he is a Jew and an enemy of "Nazi" repression. The liberal media have accepted him at his word, though the small but influential Jewish community in Argentina and Jewish publications in the United States offer convincing documentation to refute his charges.

What are the facts in the Timerman case?

Mr. Timerman's publications—he had made himself a substantial fortune in the newspaper and magazine fields—swayed with the political winds as government followed government in a troubled Argentina. He could hardly be called an enemy of the military junta which he now denounces. In fact, his newspaper, *La Opinión*, in February of 1976 called for a military coup against the corrupt and crumbling government of Isabel Peron. When the military responded, Mr. Timerman was hardly one of its enemies, and his later opposition by all accounts was hardly of the kind to keep the junta awake. In short, he played the game with an eye to profit—which is no crime.

What then was the cause for his arrest? If it was not his putative championing of "human rights" that brought him trouble, why should he have been taken into custody?

Mr. Timerman's downfall is directly traceable to David Graiver, who owned 45 percent of his newspaper, *La Opinión*. Mr. Graiver, a minor-league Vesco type, was caught with his hand in the cookie jar by American, Belgian, and Argentine banking authorities, and he promptly disappeared. But in the course of investigating his tangled financial affairs, Argentine authorities learned— through an inadvertent slip by his wife—that he had been banking and investing the very sizable funds of the Montoneros, the major terrorist group then attempting to overthrow the government.

It was not too farfetched an assumption that if Mr. Graiver was working with and for the Montonero terrorists, his business partner might also be involved. Mr. Timerman was taken into custody by the military authorities solely on that assumption—not because he was a Jew or a "crusading" publisher. At a time when

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the average Argentinian could not leave his house for fear of terrorist depredation, the government's reaction was hardly unreasonable. What is significant is that the Argentine Jewish community, which dashed to Mr. Timerman's defense, suffered no reprisals for its efforts on his behalf. Anti-Jewish publications certainly seized on Mr. Timerman's arrest and proclaimed it proof of the iniquity of all Jews. Certainly, too, there were overtones of anti-Semitism in the case. The military group which questioned him included anti-Semites, but it was not simply the creature of the military regime. It had operated in the past under both democratic and dictatorial regimes. Much of this questioning had little to do with Mr. Timerman and dealt with obsessions such as "The Protocols of the Elders of Zion," Menachem Begin, and the mythical Jewish connections of the anti-Semitic Palestine Liberation Organization (which was deeply involved with the Montoneros.)

Nonetheless, given the nature of the accusations against Mr. Timerman—that he was a partner with Mr. Graiver not only in the publication of *La Opinión*, but also in the financial dealings with the Montoneros—and given the life-and-death struggle in which the Argentine government was engaged and in which thousands on both sides have perished, Mr. Timerman's survival and acquittal was really rather remarkable. It can even be cited as what a Buenos Aires Jewish publication called an example of "inverse"—or reverse—"anti-Semitism."

Ironically, there has been an astonishing degree of press freedom in Argentina, not only now but during the time when the junta was engaged in virtual civil war with the Montoneros. Were there not, then Manfred Schoenfeld would be dead today. Mr. Schoenfeld, a Jew, has been hailed by *The Washington Post* as a hero of an Argentinian "resistance" movement. As editorial writer for the great Buenos Aires newspaper, *La Prensa*, Mr. Schoenfeld leveled his powerful journalistic guns at the junta when Mr. Timerman was arrested. But when the Anti-Defamation League in New York presented Mr. Timerman with its Hubert Humphrey Award for dedication to a free press, Mr. Schoenfeld joined Argentina's B'nai B'rith to protest that Mr. Timerman was never an "independent," never a battler for human rights, and not "ethically recommendable." In other words, though Mr. Timerman had suffered, he was not a martyr to his Jewishness or to journalistic principle.

Precisely what was that unethical conduct to which Mr. Schoenfeld referred? The publishers of the German-language daily, the

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Argentinisches Tagesblatt, owned by the Aleman family (which has long been known for its anti-Nazism and for its support of Jewish causes) has claimed—and Mr. Schoenfeld accepted the claim—that Mr. Timerman had used his excellent connections with the government and the labor unions to force the *Tagesblatt* to print *La Opinión* below cost, at a loss of an estimated $40,000 a month.

It would be understandable if Mr. Timerman, since his release and his continued prosperity as an Israeli columnist and a lecturer to the world at large, had focused his attacks on the Argentine government. After his experiences he could almost be forgiven for characterizing it as the Latin American answer to the Third Reich. But he has also mounted a war against the Argentine Jews who saved him. (One Jewish Argentine editor accordingly describes him as "the leading anti-Semite.") Mr. Timerman's word for the Jewish leaders in what was once his adopted country is *Judenrat*—a term of hatred given to German Jews who allegedly sold out to the Nazis and contributed to the Holocaust.

After his exile, Mr. Timerman tried to recover the very substantial property which the Argentine government had seized at the time of his arrest. Two prominent Jewish Argentine lawyers took his case—as they put it, because they considered it as "humanitarian duty, without asking or receiving any remuneration." As his charges of Nazism in Argentina and the perfidy of its Jewish leaders began to spread, the two lawyers accepted the assurances of his family in Argentina that his statements had been "twisted or misinterpreted." But in October of 1980, there could no longer be any doubt of what he was saying and writing. The lawyers dropped his case and, in a public letter, vehemently noted that he had "presented the perfidious anti-Semites with . . . an excuse for irresponsible and resentful hatred." That letter was ignored by the press in the United States until it appeared as a paid advertisement in *The Washington Post* on August 4, 1981. Instead, the *Post* suggested that the exposure of Mr. Timerman was a "neoconservative" plot.

But Mr. Timerman's war, and his motives for endangering the lives of his fellow Jews by false accusations, is not really the issue. The real question is why *The Washington Post* and *The New York Times* lent their support to a campaign based on little more than one man's logorrhea. After all, Israel maintains cordial relations with Argentina, a country which has refused diplomatic recognition to the PLO. If the press were really concerned about the Jewish condition in Latin America, then certainly they would have

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noticed the brutal manifestation of anti-Semitism elsewhere in the western hemisphere.

The record is there for all to see. Cuba, which sings every hemidemisemiquaver of the Soviet line, has driven out all but a tiny fraction of its Jews. When Salvador Allende adopted the anti-Semitism inherent in Marx's philosophy, most of Chile's Jews fled—but they returned when General Augusto Pinochet and his junta overthrew Allende. The Jewish community took the hint when the Sandinistas, with the Carter administration applauding in the wings, imported the PLO's anti-Jewish tactics to Central America. El Salvador's terrorists kidnapped the Israeli consul and executed him, avowedly because he was a Jew. The Jews of El Salvador took the hint and are leaving the country. Guatemala, under the terrorist gun, is witnessing the beginnings of its own tiny Diaspora. As opposed to this, the Jews in Argentina are proclaiming their intention to stay in what they see as their own country. They are, moreover, furious at the "neo-Nazi" libel. They point to their distinguished history in Argentina and their continuing role in its affairs. If they wished, they could leave tomorrow, taking their property with them.

One moment of fleeting sanity came when Simon Wiesenthal, who has devoted a lifetime to tracking down Nazi war criminals, deplored the use of the issue in the Timerman case. There was, he said, no persecution of Jews in Argentina as such, but only of those who had joined the Montoneros and other terrorist groups. Though he did not use the expression, what he described was "equal opportunity repression" during the days of civil strife. Then, feeling left-wing and media pressure, Mr. Wiesenthal claimed that he had been misquoted. The media tried to make an event of this, but, unfortunately for him, Mr. Wiesenthal's remarks had been tape recorded. There has, of course, been no broadcasting of this damaging tape.

From start to finish (if we have indeed heard the last of it), the Timerman case has been an Orwellian spectacle. The anti-Semitic press in Latin America, and the terrorist publicity machine, have made good use of Timerman's allegations as "proof" of the perfidy of all Jews. The press campaign in the United States, moreover, has succeeded in obscuring the substantial changes in today's Argentina and its moves under President Roberto Viola toward a return of representative government. It has also served to make more difficult U.S. moves to restore good relations with a country traditionally on the side of the West.

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Of Mr. Timerman himself, it can be said that, had he not existed, the media and the left would have created him. For, when all other attacks fail, the charge of anti-Semitism is usually infallible.

Ralph deToledano

Adam Smith in Sri Lanka

Sunsets over the Indian Ocean are glorious. On the oceanfront lawn and near the pool of the Galle Face Hotel (in Colombo, Sri Lanka), a stream of tourists from Western Europe collects to enjoy the view or explore the marvelous historical treasures scattered throughout this "resplendent isle," as the name Sri Lanka means in English. However, the majority of these tourists are probably unaware that some very important changes have been taking place on this tropical island in the past few years.

By worldwide standards, Sri Lanka today ranks as a very poor country, with a per capita income below U.S. $200 a year. Since 1798, the island had been ruled by the British, until in 1948 it was granted independence. Under British rule, the island had developed a sound administrative and physical infrastructure, external financial reserves, and a high literacy rate in English. But between 1948 and the 1970s, the country slowly disintegrated economically and was only kept afloat by massive infusions of money from the international-aid-to-Sri Lanka club, to which the United States was a major contributor.

Sri Lanka's history dates back 2,500 years to its original settlement by the Sinhala people from the South Asian subcontinent. The Sinhala were followed in turn by the Tamils from South India, Arab traders, Portuguese spice merchants, Dutch traders, and lastly the British. Ceylon (as the island was named under British rule) developed as a plantation economy, exporting tea, rubber, and coconut. Its modern day political evolution developed from the westernization of its indigenous elites in the early decades of the twentieth century. Political progress was rapid. Universal suffrage was granted in 1931 and peaceful independence in 1948. Since then, however, island politics have not been so tranquil. Nationalist sentiments have dominated politics during much of the past thirty-three years. Political disputes between Sinhala and Tamil have often flared into violence, resulting in the establish-

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ment of martial law. Up-country Buddhists have continued to feud with lowland, coastal English-speaking leaders, and one prime minister has been assassinated.

On the economic front, socialism and state-control have steadily replaced private ownership and the market economy. The export-oriented plantation sector has been heavily taxed to finance free education, free medicine, free water, sanitation, subsidized food, and cheap transport. When the plantations were finally nationalized in the mid-1970s, the public sector controlled more than 90 percent of the economy. Although these policies may have increased literacy and lowered infant mortality, they were accomplished only through government pre-emption of resources and the destruction of incentives to the total detriment of economic growth. As economic stagnation set in, further government efforts to redistribute income resulted only in a redistribution of poverty. The government of socialist-leaning Mrs. Sirima Bandaranaike (1970–1977) ruled through a perpetual state of emergency, which was declared in the course of a violent youth rebellion in 1971 and remained in force until 1977. Her economic policies beset the economy with import controls, foreign exchange controls, price controls, and a plethora of state industrial and trading monopolies. She nationalized land, banks, and businesses. The results were food and other shortages, black markets, and widespread evasion of controls and taxes. Her strategy of import substitution fostered inefficient, overprotected industry. Low food prices and food rations for all, regardless of income, eroded producer incentives, even for those subsisting on their own land. A massive public sector smothered the remains of private sector initiative, and a great deal of the country's talent decided to migrate overseas. The country's external reserves were run down and massive budget deficits, financed by new money creation, brought a ruinous inflation. By 1975 economic life had virtually ground to a halt.

In past elections, communal rivalry between Sinhala and Tamil had invariably dominated all other issues. In the 1977 election, which had been postponed since 1975, economic issues were paramount. In fact, this election marked the first time in democratic Sri Lanka that any general election had not been held on schedule. Promising a new direction in economic policy, the United National Party, under the leadership of J. R. Jayewardene, swept to a landslide victory. The new government immediately set out to reverse thirty years of socialist economic policies.

The new Prime Minister and his cabinet subscribe to a philoso-

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phy of government which asserts that there can be no political freedom if the state has full control of the economy. No man is safe in his home, job, or person if a failure to support the ruling party threatens to take these rights from him. Preservation of liberty requires maintenance of a free economy.

Further, Jayewardene and his youthful followers argue that socialism and state controls have utterly failed in Sri Lanka, and were largely responsible for rising unemployment, shortages of essential goods, widespread nepotism and corruption, and an inefficient and unresponsive public sector. Sri Lanka's new president is a close friend of Singapore's dynamic Prime Minister, Lee Kuan Yew. Despite the differences between the urbanized Chinese city-state of Singapore and rural Sri Lanka, there is growing admiration in Sri Lanka for what is called the "Singapore model" of development. Singapore flourishes through competition, free trade, tax concessions, and foreign investment. Its sustained high rates of economic growth have generated sufficient revenues to pay for massive public works and a wide range of current government services. Public servants in Sri Lanka are sent to Singapore to learn about its administrative skills and techniques.

Jayewardene, as Finance Minister in the previous United National Party government of 1965–1970, introduced tax concessions for hotels to develop tourism. The success of this venture encouraged him to develop further liberal tax measures, which he was in a position to implement after his 1977 election victory.

Before 1977, economic policy in Sri Lanka had stressed import substitution—the development of indigenous industry for the local market, securely protected behind a high tariff wall. Sri Lanka's new economic policy is now predicated on the belief that a small home market defeats an import substitution strategy and that Sri Lanka has always fared best as an export-led economy. Therefore, economic growth must come from encouraging both traditional plantation exports and new manufactured goods. To this end, a spate of new economic and fiscal policies has been adopted.

New Economic Policies

The government has eliminated the old, fixed exchange rate system that overvalued the Sri Lanka rupee. Although this policy held down the costs of food imports, it discouraged exports and led to a system of price controls and rationing that created shortages, queues, and an incomprehensible maze of producer taxes and consumer subsidies to compensate for the effects of price dis-

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tortions. Now the rupee is allowed to float. This new realistic exchange rate system has restored producer and export incentives, eliminating the need for price controls and rationing. The price mechanism, not the bureaucracy, now allocates goods, and corruption has been significantly reduced.

A policy of licensing imports to control the inflow of foreign goods has been replaced with a commitment to the open economy and the application of very selective tariff protection. Liberalized imports have forced inefficient, protected industries and public monopoly enterprises to compete with private enterprises. The government has closed some public firms and reduced the subsidies of others. In 1979, general subsidies to state industries were slashed by nearly 80 percent, from Rupees 1,486 million to Rupees 300 million. Public industries have been instructed by the new government to become commercially viable, which has forced them to raise prices to meet higher production costs or go out of business. The new liberal import policy increased activity in the business and manufacturing sectors so much that despite a significant reduction in the business turnover tax rate, revenues from this source nonetheless rose 62 percent in 1979—a result that would make Arthur Laffer proud.

To move quickly from an import-substitution to an export-led strategy of economic growth, the government has granted a large number of tax concessions and reductions: a true supply-side policy. In 1978, it created the Greater Colombo Economic Commission (GCEC), which exercises jurisdiction over 160 square miles of land extending north from the capital, Colombo, to the airport. Within this territory, the GCEC has established several free trade zones that offer investors a variety of incentives, with no limit on foreign equity participation. These include (a) up to ten years of full tax holiday on salaries, profits, dividends, with a potential extension of fifteen more years; (b) no income tax on the salaries of foreign personnel; (c) free remittance of dividends, no exchange controls, and tax free status for non-resident shareholder dividends; (d) free transfer of shares; (e) no import duty on raw materials, machinery, and so on.

By December 1980, the GCEC had approved 113 projects, representing investors from 21 different countries. Some 12,000 people already work in the zone and, when it is fully developed, this figure will rise to 50,000. To see the importance of these figures, total industrial employment in the entire country in 1979 stood at about 150,000. In the first two years of operation of the GCEC,

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total foreign investment in the free trade zone came to Rupees 3,000 million (U.S. $167 million). As a result of this economic program, industrial exports have risen substantially in 1979 and 1980.

Apart from direct tax benefits, investors are assured of freedom from "red tape," since the GCEC is legally empowered to grant exemption from a number of specific sections in Schedule B provisions—The Inland Revenue Act, The Customs Ordinance, The Exchange Control Act, The Companies Ordinance, The Merchant Shipping Act, The Finance Act, and The Air Navigation Act—to any firm and can discharge in GCEC territory the powers and functions normally assigned to a variety of ministries for sections of fifteen acts that make up Schedule C. To put this freedom from red tape in practical terms, one factory manager in the free zone told me that his plant there operates far more efficiently than his firm's other plant outside the zone. To operate the other plant, he has to run from ministry to ministry getting all the requisite permissions to do business.

In the design of its free trade zone, Sri Lanka received advice from the Shannon free trade zone in Ireland and the United Nations International Development Organization, which advises Third World countries on the establishment and operation of free zones. Sri Lanka made it a point of economic policy to offer the most attractive incentives to foreign investors that could be found anywhere in the world.

Amendments to the 1978 enabling legislation authorize the GCEC to grant free trade zone incentives and concessions to any investor who wishes to set up an export plant anywhere in the country outside the zone, if it is necessary for either technical or economic reasons. The GCEC may acquire land anywhere to establish a free zone outside of its original 160 square mile jurisdiction, subject, of course, to compensating the private owners for their land.

Phase One of the first free trade zone is fully let. To speed up development in the second phase, the GCEC has turned over to private developers the opportunity to supply housing and administrative facilities, thus reducing government expenditure and further bringing market forces to bear on the process of industrial development.

In addition to GCEC investments, a Foreign Investment Advisory Committee (FIAC) also authorizes joint ventures between foreign businessmen and local equity participants. Five-to ten-year

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tax holidays on profits, dividends, and non-resident management fees are granted in a variety of approved investment or business areas including hotels, urban development projects, companies that construct power and irrigation projects, pioneer industries, gem exports, and so on.

The requirement for local equity participation in investments outside GCEC jurisdiction retards new projects due to a shortage of local equity capital. Still, in 1978, the FIAC approved about Rupees 200 million in investments. In 1979, the figure rose tenfold to Rupees 2,000 million, and nearly doubled in 1980 to Rupees 3,800 million. These sums add to a total of U.S. $333 million in a few short years and 7,000 new jobs. Of course these sums are only approvals and it will take some time before the money is actually spent. Still, it represents a vote of confidence in the country's future by both foreign and local investors.

To complement the investment opportunities, Sri Lanka has established offshore banking in the form of Foreign Currency Banking Units, which offer offshore banking facilities to all non-residents and GCEC enterprises. Permissible currencies include French and Swiss francs, Japanese yen, Dutch guilders, English pounds sterling, German deutschmarks, and U.S. dollars. Profits from the operation of offshore banking are tax free. These banks are allowed to offer secret numbered accounts and severe penalties are prescribed for anyone who reveals any details about these accounts. Sri Lanka hopes to become a Switzerland in Asia.

Tax holidays to encourage investment have been accompanied by a variety of other fiscal relief measures. In 1979 these included exemption of capital gains on the first sale of a house, exemption for interest earnings up to Rupees 2,000 on deposits with the National Savings Bank (a measure to spur savings), and exemption of up to one-third of tax assessable income if such income was spent on purchase of shares in new approved businesses, a contribution to a retirement fund, the purchase or construction of a house, a donation to an approved charity, or was classified as research and development expenditure. The tax rate on resident companies was reduced from 60 to 50 percent.

In 1980, both individual and corporate tax rates were cut. The maximum tax rate of 70 percent on individuals' income was lowered to 55 percent. Corporate rates were further lowered to 40 percent, for companies with publicly quoted shares. Capital gains on publicly quoted companies are now exempt from tax. In proposing these 1980 measures, the Finance Minister stated that

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"High marginal rates can exert an adverse effect on incentives to work, save and invest. They hamper growth." Moreover, he continued, "I do not expect any significant loss in revenues as a result of this measure as less evasion is likely to take place. Considering their long-term, or even, for that matter, their short-term effects, they should be self-financing by inducing increased production and exports, and less tax evasion."

Universal subsidization of all Sri Lankans in foodstuffs has been replaced with a selective subsidy in the form of "food stamps" to those with monthly incomes below Rupees 300/month (U.S. $18/month). Food prices now realistically reflect local or overseas production costs.

State industrial and trading monopolies have been gradually reduced or eliminated. In 1977, some 90 percent of the economy was controlled by the public sector; this percentage has fallen to about two-thirds and plans call for further shrinkage of the public sector throughout the decade.

The government has begun to shift public spending from consumption subsidies to investment in economic infrastructure, largely in the fields of irrigation, hydroelectric power (needed to support growing industrial demands on power), transportation, and communications. Consumption subsidies are scheduled to fall from 30 percent of the budget to 21 percent by 1984. Capital formation has correspondingly risen in the past few years.

The Results

How have these new economic and fiscal policies fared? To begin with, world aid organizations have registered a vote of confidence in Sri Lanka in the form of large sums of additional development aid. The United States, for example, gives Sri Lanka more aid per capita than any other developing country.

Economic statistics for the brief three years from 1977 to 1980 are encouraging. Unemployment has fallen from a peak level of 24 percent in 1973 to about 15 percent in 1980 and, if recent rates of economic growth can be sustained, could fall to about 7 percent by 1984. Since 1977, real rates of economic growth have more than doubled. During the regime of Mrs. Bandaranaike, economic growth averaged 3.1 percent per year, a gain of about 1.5 percent per capita. Since 1977, the economy has grown at real annual rates of 8.2, 6.2, and 5.6 percent respectively. In per capita terms, the average is close to 5 percent per year, more than threefold that in the prior regime. These higher growth rates since

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1977 have been achieved despite the worst cyclone in decades, a worldwide economic slowdown, oil price hikes, and a severe drought.

Economic reforms often move in fits and starts. The United National Party government (UNP), taking office in mid-1977, inherited an economy in severe disrepair, suffering high inflation due to a 30 percent growth in the money supply in each of the two prior years fostered by the Bandaranaike government's policy of consumer subsidies. The Jayewardene government set out to fix both of these problems. First, it got the growth rate of the money supply down to 11 percent in 1978, thus slowing inflation. But it also embarked on an ambitious program of public spending on dams, power projects, housing, and other public works to make up for years of public neglect of the nation's infrastructure. Public spending outpaced the nation's internal and foreign aid resources, generating a massive budget deficit in 1980. The Central Bank was forced to buy Rupees 6,800 million of new treasury bills (virtually tripling central bank holdings of government debt in one year), and both the money supply and inflation accelerated to an annual growth rate of 30 percent. Inflation is now the country's most important economic problem. The 1981 budget forced across-the-board cuts in government spending. For the moment, government officials have learned that growth in the private economy must precede massive increases in government spending.

A second setback to economic recovery is the process of denationalization, which some feel is proceeding too slowly. Since the former government had nearly destroyed the private sector, the process of returning to a market economy is a slow, painful one. Two-thirds of the industrial and trading sectors are in public hands, but this is a major reduction from the more than 90 percent that prevailed in 1977.

Sri Lanka has far to go before it can duplicate the productivity and sustained economic growth of Singapore, Hong Kong and other Pacific Rim economies. To continue its growth-oriented economic policies, the UNP must get a vote of confidence from the electorate in 1983 lest Mrs. Bandaranaike return to power and restore her former policies of subsidies and income redistribution.

But there may be an even more important story to tell than the success of incentives and the market economy in tropical Asia. Unlike Singapore, Hong Kong, Taiwan, and Korea, Sri Lanka is a democracy with universal suffrage. Many attribute the economic successes of these Pacific Rim economies and of several Latin

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American societies to the imposition of liberal economic policies by political strongmen or authoritarian governments. Such a correlation has led several commentators to wonder if liberal economic policies, which generate high growth, are compatible with western-style democracy. To the extent that Sri Lanka's reforms succeed, they demonstrate that free elections and free markets can go hand-in-hand, that a liberal economy need not be at the expense of democracy and the franchise.

Alvin T. Rabushka

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Why Women Earn Less

PAUL McGOULDRICK

There is a remarkable paradox concerning women. From 1900 to today, huge numbers of women have taken jobs outside the home or the family farm. The proportion of these to all adult women has risen from less than two out of ten, to over one-half. Their formal education has risen more than men's has and legal disabilities have given way to affirmative action. Yet the average pay of women has *not* risen relative to that of men. In 1939, the average full-time female worker was making 61 percent as much as her male counterpart; by 1977 the proportion had fallen to 57 percent.[1] Why?

The conventional answer has been discrimination in the marketplace because of male aversion to working with women. And we all know about extensive government intervention to right the balance over the past twenty years, starting with the Equal Pay Act of 1963 and ending with imposition of *de facto* sex quotas by the Equal Employment Opportunities Commission. But this paper reaches a radically opposite conclusion from that on which such government intervention has been based. Not the marketplace but Big Sister in Washington is the "villain." If writers of songs and storytellers seek a mythic figure of oppression, it should not be J. P. Morgan but Franklin or Eleanor Roosevelt.

Dr. Michael Tannen and I have found that competitive markets and minimal government resulted in women's being paid the same as men, on the average and adjusted for productivity, shortly after the turn of the century. Government has subsequently created much larger disincentives for women than for men to improve their job-related skills. Government has done this by setting tax rates, benefit policies, changes in educational curricula, and regulatory laws and policies.

Measuring Discrimination

At its crudest, the assertion of marketplace discrimination against women rests on the fact that the average woman is paid much less than the average man. But economists publishing tech-

1. U.S. Department of Labor, *Employment and Earnings* (January 1979) p. 156.

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nical studies "proving" discrimination by sex have generally taken a much more sophisticated approach. They first agreed in principle with the seminal modern contribution to the theory of discrimination, Professor Gary Becker's *The Economics of Discrimination*. Professor Becker concluded that purely competitive markets for goods, services, and labor would eventually eliminate all differences in pay between men and women (or whites and blacks) that are not caused by differences in skills. For if male aversion to working with women initially causes the latter to earn less, costs of production are lower with female than with male workers. Hence, employers who are alert or enlightened and hire more women will earn higher profits than employers influenced by prevailing prejudices. In the long run, competition will drive prejudiced employers out of business or force them to mend their ways. Simultaneously, the same process will raise wages and promotion opportunities for women until they are equal to those of men. Cultural tastes may still allow segregation by sex, but there will be no discrimination in pay and skill upgrading. In short, capitalist markets are the cure; nonmarket attitudes and institutions are responsible for the disease. If women still earn less than men, eventually, it will be because of cultural, nonmarket factors such as the assignment of child-rearing and homemaking responsibilities to women.

But these economists contended that market imperfections of many types prevented the Becker process from working in reality. They then tested such contentions against Professor Becker's theory by the econometric technique of fitting functions explaining men's and women's wages, first using explanatory variables measuring worker productivity and then adding explanatory variables measuring sex alone. If competition worked as Professor Becker asserted it did, the first set of variables, but not the second, would explain wages. But when they added the second set measuring sex impacts alone, they found that these explained a large residual share of pay differences between men and women. Therefore, Professor Becker had theorized about a dream world. By inference, government laws and regulations were needed.

The McGouldrick-Tannen Findings

There was a serious flaw in these studies. They covered only pay and other data for the post-1945 years when government taxes, benefits, and regulation had mushroomed. Perhaps these had created incentives for discrimination as well as lowered the

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relative skills which women brought to and improved on the job. (For example, such studies typically use schooling as a measure of productivity, but the schooling of men and women could have differed.) Therefore, Dr. Tannen and I decided to fit similar wage functions to data from an era when government intervention of these types was far less than it is today. We found a large and adequate body of data on men's and women's pay and their productivity-related characteristics for the years 1909 and 1910. Such data were for immigrants in American manufacturing, and collected by the U.S. Immigration Commission set up in 1907. We then chose data for the clothing and textile industries, because only these industries employed large numbers of women as well as men in all age categories. And they were important for women as a group, because they employed over three-fourths of women in manufacturing. Finally, they were highly competitive both in product and labor markets, corresponding to Professor Becker's theoretical assumptions.

We then followed modern study methods, and first inserted productivity-related variables into the wage equation and then added variables measuring sex alone and the interaction of sex with productivity measures. (The latter was necessary because marriage, for example, was and is associated with improvements in the productivity-related characteristics of men but not with women. Marriage reduces female skills during the years of disuse when they are rearing families.) Finally, we fitted similar though not identical functions (for data reasons) to men and women in the same two industry groups in 1969.[2]

Our results were dramatic indeed. Before World War I, the average woman earned just about the same, or slightly *more*, than the average man, after adjusting for sex differences in productivity. The pattern of individual differences varied with marital status and knowledge of English. At one extreme, unmarried women speaking no English earned nearly one-third more than unmarried men with the same characteristics and the same productivity. At the other extreme, married women speaking English earned

2. "The Increasing Pay Gap for Women in the Textile and Clothing Industries, 1910 to 1970" *Journal of Economic History* (December 1980). The 1909–1910 data referred to in the text were published in the *Report of the Immigration Commission* published in 1910–1911 and is described in detail in Paul McGouldrick and Michael Tannen, "Was There Discrimination Against Immigrants in American Manufacturing Before 1914," *Journal of Economic History* (December 1977).

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moderately to substantially less. But marriage lowered women's earnings by a straight productivity effect explained briefly above. Knowledge of English was interpreted as having a screening effect, diverting able women but not able men from manufacturing, as we explained in our article. After considering all nuances, we found that women were paid equally with men for the skills which they brought to the market.[3]

By 1969, however, the situation had changed drastically. No women earned even slightly more than men, productivity-adjusted; most earned substantially less. The industries had remained the same; technical change had been minimal and thus didn't affect skill requirements perceptibly; and unions were either weak or of types (the I.L.G.W.U. comes to mind) which did not encourage practices leading to sex discrimination in pay. A high degree of competition continued to prevail in product markets. Yet, the relative situation for women had changed drastically for the worse. Absolute real earnings had risen, of course, but the percentage gaps in pay between the sexes had risen.

Finally, new results strengthened our findings in two important respects. Economists might argue that immigrants are a highly atypical group when it comes to male and female motivations to acquire and improve skills. Our study had compared immigrants alone in 1909 (for data reasons) with mostly native-born male and female workers in 1969. But we now find that the pay gap between men and women also worsened just about as much when we repeated our procedure for immigrants alone in 1975. Also, we were now able to use an almost identical set of variables, when we compared 1909–1910 and 1975. Finally, a very superior body of data permitting measurement of job experience both in the industry and the firm, showed much the same skill-adjusted differences in earnings between men and women as our allegedly inferior data did during the 1970s. By inference, then, our variables were adequate for 1909 as well.

If the market had failed, why were men and women with the same skills paid equally in 1909 and 1910 when the rules of *laissez-faire* prevailed and government intervention was minimal? Concep-

3. The cases of higher productivity standardized earnings for women than for men were *not* due to discrimination in favor of women. For young women then tended to choose dead-end jobs offering high immediate earnings because they expected to leave the labor force forever when they married. That was part of the cultural pattern of the times.

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tually, a subsequent rise in discrimination might explain modern findings. But this is flatly contradicted by history, which shows just the opposite trend in tastes and attitudes. Consider just the three following pronouncements on women's place by prominent political liberals and a labor leader between 1900 and 1910:

President Theodore Roosevelt: "If the women do not recognize that the greatest thing for any woman is to be a good wife and mother, why, that nation has cause to be alarmed about its future."

In a famous brief supporting a law prohibiting work over ten hours a day for women (but not for men: see *Mueller vs Oregon*), the social reformer and later Supreme Court Justice Louis Brandeis "declared, with abundant citations from European and American authorities, that a prevailing 10-hour workday was likely to leave a woman exhausted, her higher intellect dulled, craving only excitement and sensual pleasure."

And a leading Boston labor leader, Edward O'Donnell, became positively frenetic about women working: "The wholesale employment of women in the various handicrafts must gradually unsex them, as it most assuredly is demoralizing them, or stripping them of that modest demeanor that lends a charm to their kind. . . Capital thrives not upon the peaceful, united contented family circle; rather are its palaces, pleasures and vices fostered and increased upon the disruption, ruin, or abolition of the home, because with its decay and ever-glaring privations, manhood loses its dignity, its backbone, its aspirations."[4] Obviously such statements could not be made today.

Of course, our results were limited to the clothing and textile industries. But this is only a formal difference. Most women are now employed in clerical, assembling, service, and government positions functionally much the same in skills as in 1909. The only fundamental structural change has been the intervening growth of government.

Federal Income Taxes

Before World War I, our tax system was neutral in its treatment of the earnings and consumption of both men and women.

4. Quotations are from Robert Smuts, *Women and Work in America*, (New York, Columbia University Press, 1959), p. 23 and Elliot and Mary Brownlee, *Women in the American Economy*, (New Haven, Yale University Press reprint, 1976), pp. 197 and 214-215.

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The income tax did not yet exist, and nearly all taxes were levied on real estate and on consumption at flat rates per dollar spent.

As originally instituted, the federal income tax was also sex-neutral in its effects, because both men and women filed on their own earnings regardless of source. But just before the outbreak of World War II, rates were changed so as to give a subsidy to married men with homemaking wives (income was treated as if it originated from husband and wife each earning the same in the marketplace and filing jointly). The subsidy, of course, was due to progressivity of tax rates making, for example, the total tax on two incomes of $3,000 each less than the tax on one income of $6,000.

More important, however, was the introduction of compulsory joint filing of incomes of husbands and wives after World War II. In the real world, as opposed to that of feminist aspirations, nearly all husbands are the primary earners of family income, and work continuously between early manhood and retirement. But wives have a choice of either adding to money income by outside work or upgrading of job skills, and adding to nonpecuniary family income by working at home. Hence the real world wife is economically rational if she factors into her decision the after-tax income which outside work (or additional investment in skills if already working) will add to the family income. And if she consults tax tables, she will see that her after-tax income is considerably reduced by the higher implicit tax rates levied on her income than on her husband's.

For example, consider a family with two children filing an unitemized joint return and taking the standard exemptions and deductions. The husband, earning $16,000 of taxable income, paid 6.2 percent of that in income tax in 1980. If the wife had earned an additional $6,000 in 1980, the addition to family taxes under the joint return rule equalled 16.7 percent of her earnings. As the table below shows, this gap of 10.5 points in tax percentages is only slightly lower for a low-income husband but considerably higher for higher-income husbands.[5]

5. The tax rates quoted here and in the following table are calculated by first finding the tax rate on the husband (wife not working) and then expressing the wife's effective rate as the addition to taxes on a joint return divided by her addition to income by working outside the home. If husbands and wives file separately, the gain by the wife is nearly always more than offset by the loss of the husband.

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Average Federal Income Tax Rates on Husbands' and Wives' Contributions to Taxable Income at Different Levels

Husband's Taxable Income	Average Rate	Wife's Taxable Addition to Income	Calculated Rate on That Addition
$ 8,000	1 %	$ 3,000	9 %
		$ 9,000	13 %
$12,000	3 %	$ 6,000	15 %
		$12,000	16 %
$16,000	6 %	$12,000	18 %
		$18,000	20 %
$24,000	10 %	$12,000	23 %
		$24,000	27 %

The tax gap of between 8 and 17 percent is due to the combination of tax progressivity of rates, treating the family as a collective one-income unit, and *de facto* allocation of all deductions and exemptions to the husband's income. There is a child care credit not accounted for, of course, but that almost never equals the actual child care expense. Filing itemized returns lowers the gap if the wife's income is used for deductible expenses; one thinks, for example, of the purchase of a home and associated tax deductions made possible by the wife's earnings. But such offsets do not exist among the poor where unitemized returns still provide a better tax deal. And the current high mortgage interest rates are removing the incentive to buy a home and itemize for many millions of middle class families. Hence the gap in tax treatment between the sexes is apt to be worse for these families in the near future than it was up to the late 1970s.[6]

6. Another point is very relevant to skill-acquisition decisions by wives. The deductibility of interest and real estate tax payments did create incentives for wives to take jobs. But since such deductions are limited by the cost of the home, not the size of wives' incomes, they frequently do not provide incentives for wives to train for high-skill compared to low-skill jobs.

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Social Security Taxes

In effect, Social Security taxes have been as sex-discriminatory between husbands and wives as the federal income tax. In 1909 and 1910, husbands and wives saved for their own retirement, and the system was completed by some private pension plans. Hence husbands and wives received the same retirement income per dollar put aside. But under the present Social Security system, a wife who works and pays the same Social Security tax rates as her husband doesn't receive a dime in retirement benefits, as part of the family, when she and her husband retire. For if she never works, her spouse benefit is 50 percent of her husband's benefit; and as she earns a dollar of benefit from her own tax paid, a dollar is subtracted from her spouse benefit. This holds even if she becomes divorced, as long as the marriage lasted ten years or more. Nor does the pumpkin change into a glittering stagecoach if her earnings over a lifetime exceed 50 percent of her husband's lifetime earnings. In that case the spouse benefit is lost entirely, so her retirement benefit is always about 50 points less in percentage terms than that received by her husband. For example, a wife with equal lifetime earnings receives only half of what her husband does.

Second, most economists agree that Social Security taxes levied on employers are really paid by workers and employees (for impacts on labor cost are the same in both cases, except for a small interaction effect with income taxes). Hence, at current rates the husband and the wife are both really paying a rounded 12 percent tax instead of the nominal 6.35 percent.[7] The great bulk of wives have not earned as much as 50 percent of what their husbands made, so the proper measurement of the difference in taxation is 12 percent per dollar of income.

Now add this 12 percentage point gap to the 8 to 17 percentage point gap due to the unequal income tax treatment of husbands and wives. What we might term the discriminatory gap for all federal direct taxes on work rises to a range of 20 to 29 points. For the husband receives full benefit later from his Social Security tax payments now, while his wife receives absolutely nothing.[8] For

7. Twelve percent, not 12.7 percent, because employees do not pay Social Security tax on the additional earnings which they would have if the employer's contribution were received and then paid by the worker.

8. If, as many good economists argue, husbands will not receive full benefit in the future, we should adjust our combined figure upward for husbands. But

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example, a husband paying 3 percent on his $12,000 taxable income can be estimated to receive as much in future benefits from his Social Security payments as the tax costs now, so that his net tax burden remains at 3 percent. But his wife earning $6,000 finds a dead loss from her Social Security taxes, so that the combined income and Social Security net tax burden for her rises to a somewhat stunning 27 percent. And on an income addition from her toil not far from that demarcating the poverty level! The system could not be worse if devised by Archie Bunker.

To the extent that state tax systems permit wives to file separate returns, they do *not* add to the tax treatment gap. But some states do not permit separate filing, and in these the gap rises further.

Regulations, Benefits, and Results

Laws and regulations to "protect" women from overlong hours or hazardous jobs have multiplied since 1910, when they were weak and existed only in a few states like Massachusetts. And such government intervention has prohibited or discouraged female skill and pay upgrading in subtle but powerful ways. Just as building codes have prevented the use of new materials and processes in home construction, "protective" legislation for women has stopped them from working in many jobs even when technical progress made previously hazardous jobs safe or pleasant. Since promotion often depends on a worker's obtaining experience in a number of jobs, such limitations have also kept women from being promoted. Overtime work is much less strenuous for women in an era of fast commuting by car and the lightening of household chores by appliances and prepared foods; yet the laws on hours worked remain on the books. Much more research is needed in this area, but an adverse impact on women's opportunities is clear enough.

Aid to Families with Dependent Children (AFDC), unemployment insurance, and other government benefits have also weakened women's incentives to upgrade skills or take jobs at all. Much upgrading of skills results not so much in higher hourly pay but in greater steadiness of employment. Hence, the "safety net" of government benefits has weakened a woman's incentives to upgrade skills either by formal job-related education or by seeking apprentice-type jobs. She no longer needs a steady job to backstop the family in case of unemployment, or death, divorce, or disabil-

this will not change the gap between husbands and wives, except slightly, for wives will also lose.

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ity of the husband as she did before such programs came into existence. Take unemployment insurance as an example. Because he is the family's primary earner, a man is scarcely likely to withdraw from the labor force if he receives unemployment benefits. But a married woman can produce real services and goods for the family at home as well as by working. Hence she will be quite rational in seeking work less intensively if fired, or choosing jobs with high risks of layoffs even if she is very industrious by nature.

Of course, such a state of affairs may not be undesirable. A society can quite consciously choose to have somewhat less efficiency in labor allocation in exchange for greater income security for those less well off. But if the result is that wives end up by bringing fewer skills to the marketplace, their lower pay cannot be ascribed to marketplace discrimination.

Around 1910, public attitudes toward working women were very negative. Yet women were more nearly equal to men then than now in the schooling which they received because primary and secondary schools had a common education for boys and girls. Over the past seventy years, elective courses have multiplied at the secondary and college levels, enabling sex-conditioned choices of more and less job-related education. Of course, this may have been ethically desirable. But as with government benefits for not working, the effect has been to increase the gap between the skills which men and women bring to the marketplace.

Private costs of wives who work would exist under any government system. But when added to the tax costs of working, the total cost to a wife taking a job very often rises to 40 to 50 percent of her before-tax pay. For example, the wife who adds $8,000 to her husband's $16,000 of taxable income will find that tax and non-tax costs are 46 percent of her income, if they live in New York and the wife's extra costs from working are a modest $600 a year for a car (or public transportation) and $510 a year for all other expenses. (This assumes differential costs of only $1 per lunch and $260 extra for clothing and incidentals, with any child care costs exactly offset by the child care credit on income tax). And for all cases, microeconomic theory demonstrates that the loss in utility from wives' income because of the tax burden increases when non-tax costs are factored into calculations.

The Impact on Single Women

Formally, our tax system does not discriminate by sex; and the woman who plans to remain single during her entire working life

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will have the same incentive to invest in skills as a man. But most young women expect to be married later, so the tax burdens on married women will enter their balancing of the returns and costs from acquiring skills. We know from Milton Friedman that current consumption is determined not by current income but by expected lifetime income. By analogy and also by inference from the economic theory of human capital investment, the low expected value of after-tax, after-cost earnings of married women will induce the single woman expecting marriage to reduce her skill acquisition considerably. And if her marriage expectations are disappointed later, the skill loss will be more difficult and expensive to make up. (For one thing, employers reduce skill training as workers age because the expected pay off period diminishes for both employer and worker.)

I conclude that the pay gap between men and women has failed to narrow or has even increased, over the past seventy years, because of government failure, not market failure. Changing cultural attitudes, the lightening of home duties by appliances and semi-prepared foods, and the huge decline in the proportion of women living on family farms have induced a mass migration of women into the paid labor force. But the large growth in what we might term government discrimination-by-result has resulted in women's upgrading their job-related skills to a lesser extent than men have.

Second, this has contributed to the rise of what can be called objectively based discrimination by employers. Such discrimination is not based on personal, culturally caused aversion to hiring workers of a particular type but to objective negative characteristics of the group taken as a whole. An example may clarify this. Insurance executives do not set auto liability rates higher for men under twenty-five years of age because they are culturally reluctant to insure young men. They have found by experience that this group is much more apt to have accidents than are men over twenty-five. By analogy, the greater work intermittency and reluctance to upgrade skills shown by the whole group of women, from the government-imposed costs detailed earlier, have made the expected returns to employers from hiring a woman lower than those from hiring a man. To compensate, employers have offered lower pay and training to women, for reasons entirely separate from any sex bias *per se*. As a result, women who really intend to work continuously and upgrade their skills have faced discrimination as individuals, just as the careful young male driver faces such

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discrimination in the auto insurance market. A profit-maximizing employer would not discriminate against such a woman if he could screen her from others, just as the careful young driver would receive a lower rate if the insurance company had perfect information on him. But information limitations result in "objectively based" discrimination in both cases. The true, ultimate cause of discrimination against individual women is not cultural attitudes of employers (or fellow-workers), but adverse government impacts on the work and skill motivations of the group.[9]

A historical case fortifies this reasoning. The very first paid jobs for women on a large scale and with good skill-upgrading possibilities were offered by the first American industry to become mechanized: the New England cotton manufacturing industry of the 1820s. This was at a time when local governments refused to hire women even as clerks; and foreigners flocked to Lowell, Massachusetts to praise the working conditions of women in factories where they constituted up to six-tenths of the labor force.[10]

The Women's Movement

It is perhaps not astonishing at all that feminists have failed to see that government bears the prime responsibility for women's lower earnings. For most articulate, leading feminists have come from two groups whose own circumstances give them no personal experience with such discrimination among the bulk of women. The first group consists of women who never plan to become married or expect a low marriage probability. The second group consists of women who are or expect to become married but are either wealthy by inheritance or are so talented that if they are married, they become primary earners of family income at a high level.

9. The contribution of unions to discrimination-by-result has not been covered for space reasons. But such contributions can be explained by the same reasons that voters elected the politicians who created discrimination-by-result by government. In the past, men voting their pocketbook interests were joined by wives who were either full-time homemakers or expected to work only intermittently later. Such wives, given their preferences, had the same interest as husbands in making labor scarcer relative to capital by restricting the productivity-adjusted size of the labor force (and therefore raising male earnings). The means was, of course, restricting female earnings possibilities and especially skill-upgrading. In short, union and voter behavior were based on the same heavy pocketbook majorities in each area.

10. Caroline Ware, *The Early New England Manufacturers* and Paul McGouldrick, *New England Textiles in the 19th Century, Profits and Investment* (Cambridge: Harvard University Press, 1966), Chapter 2.

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One complication has not yet been mentioned. Sex discrimination-by-result in taxation initially rises as family income does. But it then falls at the highest income levels, as average and marginal tax rates converge and as high income makes tax shelters economical. Such women are also far removed from the realities of unemployment, AFDC payments, and other benefits. Further, the Social Security tax differential is reduced when covered income levels are breached upwards. Hence, the leaders of the various women's movements fail to perceive the realities as much from an all too human lack of imagination and fact-finding as from selfish pecuniary motives due to their sheltered position.[11]

We can now marvel at the clairvoyance of a feminist of the 1920s, Suzanne LaFollette, when she wrote ironically, "women may be said to be in a fair way to exchange the tyrrany of men for that of organized uplift" (*Concerning Women*[12]). The remedy for government sex discrimination-by-result is implicit in the foregoing diagnosis. Government should cease forcing reverse discrimination in favor of women, not only for the reasons spelled out eloquently by Walter Berns but because such remedies do not tackle the incentive problem. One approach—removal of government benefits of the AFDC and unemployment insurance—is neither humane nor politically possible (though reforms at the margin might produce surprisingly good results without impairment of family safety nets). Surely, then, the main thrust should be restructuring of federal income tax rates and Social Security benefits so as to remove the heavier burdens on married women. The 1981 Reagan tax bill makes a start on the federal income tax, but the bulk of the tax disability for married women still remains. Surely, the progressive removal of this should be on the agenda for the 1980s. Likewise, married women should receive full value in retirement benefits for their Social Security taxes paid during their working lives, with no loss of spouse benefits. Tax and benefit subsidies on marriage should be maintained, since this would satisfy traditionalist women such as Phyllis Schlafly even as the removal of discrimination-by-result should satisfy feminists and moderates.

11. A striking case in point was the intense interest of feminists in eliminating the "bachelor tax" during the late 1960s. This was a marital status issue, not a woman's issue. It is explained, of course, by the heavy concentration of women of the single-by-preference types among the feminist leadership groups.

12. *Focus on Economic Problems of Women*, Arno Press (reprint) 1972, p. 170.

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Such reforms are thoroughly in the spirit of supply-side economics, because they would increase economic growth by the additional incentives given to women to upgrade their job skills. Because of immediate revenue losses to the Treasury, they may have to be phased in over a fairly extended period. But if the changes are certain and announced in advance, human capital theory suggests that desirable skill-upgrading effects will start immediately. Let us begin.

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A Foreign Policy for Reaganauts

JOHN LENCZOWSKI

The seeds of totalitarian regimes are nurtured by misery and want. They spread and grow in the evil and soil of poverty and strife. They reach their full growth when the hope of a people for a better life has died.
We must keep that hope alive.

—President Harry S. Truman
(Truman Doctrine Speech,
March 12, 1947)

With these words, President Truman revealed an understanding of a basic truth that has too often been forgotten: that there are inextricable links and similarities between domestic and foreign policies. In both cases, policy-makers are concerned with similar problems: the satisfaction of basic human needs, the creation of wealth, the attraction of constituencies, the protection of human rights, and the attenuation of threats to the public order.

One can observe, for example, that American foreign policy has treated the Third World much in the same way as we treat the inner-city ghetto: We send food stamps and welfare (foreign aid) for the poor, and when the natives get restless, we send in the police. And just like the ghetto, the Third World continues to stagnate.

But, in the last decade U.S. policy has suffered from an aimless drift. It has been reactive and defensive rather than active and positive. We have had to *cope* with events seemingly beyond our control rather than try to *create* international conditions favorable to us. We no longer send in the police; we simply fence off the area and issue proclamations about the counterproductiveness of rioting. In short, it has been typically lamented that America had no strategy. The problem here, of course, is that a strategy is nothing more than a means to an end. You cannot have a strategy without goals, nor goals without values. What lies at the root of America's foreign policy problem, therefore, has been a confusion of values, the absence of a guiding philosophy, a conceptual framework, a positive vision toward which policy-makers can strive.

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Since so much of the conduct of foreign policy simply consists of staving off trouble, the absence of such a guiding philosophy means that foreign policy success is often measured against a standard of much lower expectations than those focused on domestic concerns. Thus, the very act of staying out of war may be considered a foreign policy success, notwithstanding the fact that the world may be in political, economic, and revolutionary upheaval to the ultimate detriment of vital national interests. This can be so since foreign policy-makers are usually less immediately accountable to their domestic constituents than domestic policy-makers are. The effects of foreign policy failures are less visible to the domestic public and are often likely to have longer periods of gestation. In other words, it is easier for our foreign policy-makers to get away with either mistakes or even betrayals of the public trust.

But the values that govern our domestic policies can also serve as a guide to our foreign policy and as a standard of its success. These are the values enshrined in the Constitution, the Bill of Rights and the Declaration of Independence, which have made possible both political pluralism and the conduct of orderly and peaceful political change. To divorce foreign policy from these values is to set it adrift and to make it, quite literally, aimless.

The links between our values, the national interest, and political conditions abroad are inescapable. To guarantee our national security, our most vital interest, we need unimpeded access to sea lanes, energy supplies, raw materials, and if necessary, foreign military bases. Such access depends upon the cooperation of as many friendly countries as possible. Whether or not a country will be friendly depends largely upon how much it shares common values with us. It is a matter of common observation that those governments which respect human rights and the independence of their neighbors tend to be friendly; and those which systematically violate human rights and enslave other countries tend to view us as enemies and as a threat to their legitimacy. It is here that distinctions between the different ideologies of nations are so crucial (including such distinctions as that between totalitarianism and authoritarianism). To disregard these is to pretend that the world is enjoying true peace and is not disturbed by a serious moral conflict. It is to deny the fact that ideas, even ostensibly strange, irrational, and non-pragmatic ones, influence the minds and actions of foreign leaders. It is to ignore the basic truth that moral conflicts between nations translate into political and strategic conflicts.

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In the course of our philosophical vertigo of the past decade, we have failed to understand many of the ideological underpinnings of contemporary international problems. For reasons peculiar to the dominant rationalistic and secular ideological tendencies of our intellectual elites, we continually refuse to accept the possibility that others may entertain, in an equally rational fashion, different ideological or religious beliefs. Thus, Islam as an influence on politics was systematically ignored. We have also failed to take seriously the ideological influence on Soviet foreign policy. The ideology of Marxism-Leninism is said to be a moribund ideology, an atavism from revolutionary days that has more ceremonial quality than true contemporary meaning, at most a convenient rationale for various policy actions. It is said that when the ideology clashes with the interests of the state, it is dumped for the natural, pragmatic course.

But pragmatic tactics must have a purpose, which can only be defined by values. The survival of the state, of course, is a purpose. But the preservation of a certain political order within that state requires a deeper purpose. Further, in foreign policy, some criteria must define who are allies and who are enemies. These criteria must be ideological. They cannot permanently conflict with the values which underpin the power of the ruling elite and which determine the legitimacy of the regime.

Legitimacy of Government

We in America, so accustomed to freedom and democracy, take the question of legitimacy for granted. We assume, almost without thinking, that our popularly elected governments are unimpeachably legitimate. Meanwhile, however, we fail to comprehend how much legitimacy is the burning concern of everyone from IRA hunger strikers to regimes which need for their continued hold on power such things as: Berlin Walls, hundreds of thousands of border guards, pervasive secret police systems, total control of all information and educational media, political infiltration of all social organizations, hundreds of millions of dollars worth of radio jammers to keep foreign broadcasts from poisoning the minds of their citizens, and "psychiatric clinics" and slave labor camps for vocal objectors. The engine propelling such institutions of repression and enslavement is the suspicion by the ruling elite that their people might not voluntarily choose either them or their political order if they had the free opportunity to do so. They suspect that, according to democratic principles, their's is an illegiti-

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mate government. So how do they legitimize themselves beyond pursuing the tyrannical measures of the doctrine of "might makes right"? They justify themselves according to Marxist-Leninist ideology. They behave according to its tenets since to deviate noticeably from this ideology would be to undermine their sole basis for power.

In present circumstances, the greatest national security threat to communist leaders is an ideological one. The Soviets, for example, know that the United States and the West have no domestic constituency in favor of military action against them. Even in the days of anti-communist fervor and military superiority, there was scarcely any support for even the dispatch of military equipment to the Hungarian freedom fighters, much less to any separatist groups within the Soviet colonial empire itself. There is even less now. Nor do the Soviets perceive an economic threat: their consistent course since the days of Lenin's New Economic Policy has been to trade with the West to get the new technology that they cannot produce themselves. So where is the threat? It is an ideological one—the threat of democratic ideas, the threat of the truth penetrating information barriers and puncturing the fictions erected to prevent an upsurge of popular outrage by the Soviet people themselves. The threat is the threat of being perceived as illegitimate by their own citizens. The external security threat is thus, paradoxically, an internal security threat. That is why the Soviets have invented the Brezhnev Doctrine, and why they are an aggressively imperialist and anti-democratic-capitalist power. To maintain internal security, they must eliminate the sources of ideological contagion and help install foreign regimes that share their own concept of legitimacy.

To say that this ideology is moribund is to be blind to the real political impact it continues to have. Not only is it the indispensable vehicle of legitimacy, but it also serves as a set of ideals and as a distinct set of strategies and tactics for discontented intellectuals and revolutionaries around the world. Who can deny that the primary centers of revolutionary thought and action in Latin America are the Marxist-imbued national universities? Are the Marxist ideals and Leninist tactics of these revolutionaries moribund? What indeed is the so-called "theology of liberation" that has arisen in some parts of Latin America? Is it not a form of Marxism? The fact is that just as the ideology of democracy is alive in the minds of men, such ideologies as Marxism-Leninism are alive, are believed, and are taken seriously by many.

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The East-West Conflict

The result of such conflicting ideologies is the East-West conflict. This has at its roots what have proven to be irreconcilable differences of an ideological nature about the nature of man, governmental legitimacy, human rights, economic systems, and concepts of good and evil in general. There is one difference between East and West that is especially relevant to their systemic conflict. This is the difference in conceptions of the normal state of international relations. The communist view is that relations between nations will always be in a state of conflict until the entire world becomes communist and participates in relations of proletarian internationalism. Conflicts will in the meantime include "inter-imperialist" conflicts among the capitalist nations, the "anti-imperialist" struggle of the Third World, as well as the struggle between the two social systems. According to explicit pronouncements of communist authorities, "peaceful coexistence" is a form of struggle against imperialism, allowing all forms of conflict but all-out war. Military means, of course, are justified to protect the gains of socialism anywhere in the world. Thus, associations among socialist nations no longer are voluntary: it is inadmissible to escape the fold. Communist foreign policy can in consequence never be a *status quo* policy. Since conflict is the norm, struggle to shift the correlation of forces must continue until "peace" is achieved.

The western conception of international relations, in contrast, sees peaceful relations as the norm. The West is inclined, therefore, to pursue *status quo* foreign policies as a general rule. Where the communist system asserts the irreversibility of its conquests, the West has so far accommodated. Thus, as communist theory has divided the world into a "war-zone" (the non-communist world) and a "peace-zone" (the communist world), both East and West have concerned themselves only with international problems in the war-zone: the peace-zone, being at "peace," is out of bounds. The upshot is a conflict between the people and the elites, between democracy and totalitarianism, or, to put it in economic terms, between theories of growth and redistribution.

The North-South Conflict

Apart from the U.S.-Soviet confrontation, the United States currently faces a political conflict with much of the Third World. The main salients of this North-South conflict involve southern grievances against the North and proposals to redress them. The primary grievance is that the developed northern nations have

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economically exploited the South, partly through traditional colonialism, and more recently through the alleged unfair practices of multinational corporations. The North (which invariably turns out to be the industrialized West) is said to appropriate for itself an unfair share of the world's resources, thus seizing an inordinately large share of the world's wealth. The solutions to these problems almost always involve some sort of redistribution of wealth from North to South. These include: increased foreign aid transfer payments, debt cancellation, commodity agreements which "stabilize" (i.e., arbitrarily set) commodity prices, international taxes, transfer of technology, equal division of the oceans' resources through a new Law of the Sea, production restrictions on certain northern industries, greater access to the resources of international financial organizations, and other sundry instruments, all of which add up to a "New International Economic Order."

This North-South thinking, of course, contains several in-built assumptions. One is that because the world has limited resources, there is only so much wealth to go around. International economic life, therefore, is a zero-sum game: one country's gain must be at another's loss. The world's population explosion, according to this thinking, only aggravates this situation, as it means too many people chasing too few resources. And since so many of the earth's people are starving, malnourished, or diseased, the first priority of this redistribution must be the satisfaction of the most basic human needs. And this, according to such as Tanzania's dictator Julius Nyerere, "is a matter of right; it is not an appropriate matter for charity."[1] Thus, redistribution and economic "rights" are inseparable companions. But nowhere here is there any acknowledgement of the fact that the West *creates* an inordinate share of the world's wealth. Nowhere is it noted that the planet's resources, which have always been finite, have been—and can continue to be—used ever more efficiently and recycled as a result of human ingenuity. The whole history of growth in quality and not just quantity is conveniently ignored.

One cannot escape noticing here that two of the key components of the eastern-socialist-communist order—i.e., redistribution and economic rights—are also the indispensable features of

1. Quoted by P. T. Bauer and John O'Sullivan in "Ordering the World About: the New International Economic Order," *Policy Review* (Summer 1977), p. 56.

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North-South thinking (or, more precisely, the thinking of the South, aided and abetted by some in the North). Might one not argue that these economic elements, given the role of economics as the "base" of any political order according to Marxist thought, are the very foundation of a world order entirely constructed according to the eastern model? Thus, insofar as North-South is a "dialogue," where the North is prepared to entertain and accommodate southern demands and economic "rights," the West accepts the legitimacy of large parts (if not the essence) of the ideological foundation of the East. But insofar as North-South is a "conflict" where the North not only defensively rejects the premises, conclusions and demands of the South, but offensively counters with positive alternative solutions, then, in principle, North-South must equal East-West.

Dialogue or Conflict?

The question arises, therefore, as to whether North-South is a cooperative "dialogue" or a conflict. The answer is that it is both, depending upon who in the West is in power. That this should be so is a reflection of the breakdown of the post-war foreign policy consensus in the United States and the West, a breakdown based on ideological differences that reached their most acute stage during the Vietnam war.

Two foreign policy "establishments" have contended for influence. One saw further gains by communism as harmful not only to its victims but also to America's ability to protect its sea lines of communication, its access to resources, and the distant ramparts of its defense posture. While the direct threat to American security was not imminent, a communist victory in Vietnam would mean in time: the habituation of the world to the inevitability of communist advance, the Finlandization of western friends, the loss of American credibility, and the demoralization of the forces of democracy and freedom. What has been called the new foreign policy establishment, however, saw no such danger. They perceived the real threat to be the damage America was doing to itself by exercising its power arrogantly, by imposing on foreign people a system which they did not want and which was not well suited to their culture anyway. By doing this, America would only make more enemies in the world. Besides, communism was no longer monolithic; and therefore communism in Vietnam would not mean geopolitical gain for the Soviet Union.

The conflict between these two ideological moods has produced

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a continuing tension between alternative policy prescriptions. An example has been the conflict between guns and butter. Note, here, that the alternative to greater defense spending is not presented as the return to the citizenry of excessive taxes, but the expansion of government programs, the increased socialization of society, the greater concentration on redistribution rather than creation of the nation's wealth, and the concomitant growth of metropolitan Washington, D.C. as the central hub of the nation's redistributors, lawyers, and regulators. The correspondence between perceptions of threats and the priorities placed on domestic policy is surely significant. Those who stress the beneficence of government action, centralized authority, and redistribution are perhaps less likely to feel threatened by a foreign system based avowedly on central government authority and redistribution than are those who see an unrestrained government as the primary threat to human freedom.

That such ideological differences should result in correspondingly different foreign policies is clear. When those of the redistributionist bent have been in power, North-South becomes a "dialogue" and replaces East-West as the primary concern. It becomes necessary to salve consciences made guilty by false defenses of freedom that lead to war, by imperialist exploitation by the multinationals, by the support of anticommunist, authoritarian dictators, by the pursuit of a futile arms race and its criminal waste of resources, by the conduct of an untamed CIA, by U.S. opposition to the inevitable "forces of social change," and by never being "on the winning side." Insofar as East-West remains a concern, the premium is placed on detente, and above all, stability. This means, in practice, acquiescence to "organic" unions between eastern Europe and the Soviet Union; elimination or self-censorship of international radio broadcasts to the peoples behind the Berlin Wall; short-lived embarrassment at our "inability" to aid Hungarian or Afghan freedom fighters, indifference to boat people, Cambodian genocide, and Cuban freedom flotillas; and the intellectual inability to welcome the possibility that Poland, or the U.S.S.R. for that matter, could evolve along democratic—and even capitalist—lines to conceive of our system as the "wave of the future." Such timidity ultimately means greater solicitude for the problems of the ruling elites than for the peoples of the communist world. For it begins to seem more important to make agreements with these elites on problems of mutual concern, such as preventing nuclear war, than to risk inflaming domestic instability in the

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communist world. We supply these elites with subsidized credits rather than risk defaults on western loans that would result from the instability of a democratic revolution on Poland's present lines. Nowhere in this frame of mind does there enter the thought that a democratic-capitalist revolution in the communist world, perhaps of a gradualist kind, would do more than anything else to eliminate the threat of nuclear war.

Conversely, when those concerned with natural rights, growth, and freedom are in power, North-South becomes merely a theater of the bigger East-West conflict. Primacy is placed on greater national defense, military and economic assistance to anti-communist allies, and greater reciprocity in U.S.-Soviet relations. Insofar as North-South questions enter the picture at all, they do so in the form of conflict. But, paradoxically, the American role in this conflict is merely a defensive and negativist one, and not a positive and offensive one.

There are reasons for this negativist policy which have to do with a long tradition of American diplomacy. A significant element of the Truman-Eisenhower-Kennedy tradition of foreign policy, dominant until Vietnam, was the enactment of a variety of foreign economic policies designed to prevent the kind of poverty and hopelessness that can lead to revolution and totalitarianism. Beginning with the Marshall Plan and the Truman Doctrine, this policy expanded to include the Point Four program of technical assistance to the underdeveloped world, the Mutual Security Program to raise Third World living standards, the Alliance for Progress, the Food-for-Peace program, foreign aid programs by the Agency for International Development, active support of international financial institutions such as the World Bank and the International Monetary Fund, and other similar efforts. The strategic thinking underlying these programs was unimpeachable—especially in light of prevailing beliefs about the links between economic performance, political order, ideological inclination, and international political alignment. Thus, to prevent the alignment of Third World states with the communist bloc, the economic sources of instability and revolution had to be eliminated. Economic development and development aid seemed to be the answer.

There was a problem with many of these programs, however. They were almost all based on concepts of economic development that had arisen in response to the calamity of the Great Depression. In light of much of the recent scholarship in economics, a

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good case can be made to show that these development concepts had very little to do with the historically documented reasons for the development of any successful economy in the world, including that of the United States itself. If anything demonstrates this point unambiguously, it is the empirical evidence of countless economic failures in Third World countries that followed the advice of thirty years' worth of western economic development theories. But one index of these failures is the $300 billion-plus of outstanding Third World debt, which, at this juncture, has next to no prospect of ever being repaid. This stands as a monument to the inefficient use of capital.

The real failure here, at base, has been an intellectual failure with two dimensions: 1) the failure of the economic models; and 2) the failure to understand that political models, domestic stability, ideological inclinations, and international political alignments depend not so much on the *fact* of economic prosperity, but on the economic model and the natural rights that are the prerequisites for that prosperity. The reason, therefore, for defensive negativism in the North-South conflict on the part of the heirs of the Truman tradition, and their relegation of this conflict to a lower priority, has been their lack of a successful economic model and a failure to appreciate its ideological ramifications.

In fact, whereas the two contending schools of thought differ in theory on almost every issue, there has remained a surprising consensus-by-default on foreign economic policy in actual practice. A manifestation of this consensus is the shared assumption that foreign aid—in the form of the transfer of resources—can either cause or help economic development. Another shared assumption is that rapid population growth is harmful *per se* to economic development: in other words, that people are liabilities rather than assets. Yet another is that "land reform" such as currently pursued in certain countries is a necessary and useful prerequisite for healthy development in the agricultural sectors. Such assumptions, which have dominated the policies of both contending schools even up to the present, have accompanied the two broader development strategies that have been pursued consistently throughout the post-war period.

The first of these has been the infrastructure approach. It has been thought that the prerequisite for development and prosperity is infrastructure: railroads, dams, electrification and communications systems, and the like. Since the people of the Third World are so poor, it is noted that they have a high propensity to spend

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and a low propensity to save: therefore no capital formation. With insufficient supplies of natural capital, money would have to come from foreign aid grants or be borrowed from the international development banks and the big western commercial banks to pay for the infrastructure project. The government of the Third World country, of course, would be the investor, planner, and manager of said project: that way, the banks could rest assured that their loan would be repaid. And how would the Third World government accomplish this? By taxing their citizens at high rates as recommended by the western development economists and banks. As it turns out, however, the only sure beneficiaries of this process are the western companies that build the infrastructure projects. Meanwhile, as the Third World peoples continue to stagnate in their poverty, the not illogical perception grows that they have been the victims of some sort of western imperialism.

But what kind of development theory is all this? Reduced to simple terms, it says: the key to prosperity is state investment, high levels of state debt, and high taxes. A moment's reflection should remind us that no country in history, much less the United States, ever became economically successful according to this formula. And for good reason: when credit is allocated and projects are managed by the state, it is done almost always with political rather than economic priorities in mind. State investment by its very nature tends to be unprofitable if for no other reason than the fact that it has no market competition which compels it to be efficient. It goes without saying that the constraints toward efficiency of risking one's own hard-earned capital play no role in state investment decisions. And, as for the question of taxation, one only need glance at the lessons that recent economic research has taught us about the disincentive effects of excessive taxation on people's willingness to work, save, invest, and take economic risks. When tax rates become excessive, not only do people do less of these productive activities, but they move into the underground and barter economies, smuggle, evade taxes, and even emigrate to places where the correlation between effort and reward is more advantageous. Thus, even though the "effective tax" appears to be low, the *threat* of the official high tax rate as well as numerous indirect taxes deter productive effort and prosperity.

Amazingly, all the publicly available compendia of international financial statistics make no mention of different countries' tax rates, and in the case of income taxes, the income threshholds at which they are reached. Such has been the extent of the bias of

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the prevalent development models. Yet it is hardly surprising that Tanzania, for one, is such an economic basket case when a Tanzanian reaches the 95 percent marginal income tax bracket with an income of some $2,500 per year. Nor is this an isolated example. Almost the entire Third World has adopted steeply progressive income tax schedules where, on average, people hit the 70 percent tax bracket at incomes of $10,000 per year or less. This is not to speak of the myriad of other taxes faced in these countries.

Looking upon the persistence of Third World poverty without noticing any of these classic impediments to growth, some development experts solemnly pronounced the failure of the alleged "capitalist" model. After all, the considerable monies injected into infrastructure had evidently failed to "trickle down" to the impoverished masses: therefore, "capitalist"-style growth just didn't work in the Third World. As an official AID policy paper declared, development through "growth" means "leaving the alleviation of poverty to the presumed automatic workings of 'trickle down' effects."[2] It is as if the honest doctor, having been deprived of his stethoscope, tied to a tree, dressed with necklaces of bones and sharks' teeth, and ordered to perform feats of shamanism, had then been accused of malpractice when the patient failed to recover.

We must remind ourselves, however, that state-directed infrastructure economics is *not* capitalism. What it *is*, in fact, is a "trickle down" strategy of development. That it should fail to raise the welfare of the impoverished masses should be obvious to anyone who understands capitalism, whose hallmark is "growth." That "growth" is a metaphor diametrically opposed to "trickle down" is no accident; for capitalist growth means an accumulation of the fruits of one's labors, the application of these fruits to human ingenuity and more labor, and the reaping of further harvests from such efforts. Growth is a process of *self*-generated increase and expansion, and not a process of collecting drops from some great bucket of wealth in the sky.

Because the "trickle down" model failed, our development experts embarked on a second set of strategies that would improve the distribution of the benefits of development. These "equity-oriented" or "poverty-focused" strategies were thus designed to re-

2. *A Strategy for a More Effective Bilateral Assistance Program*, a Policy Paper, Agency for International Development (March 1978), p. 6.

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distribute wealth in a way that would satisfy basic human needs such as food, clothing, shelter, and medical care. Development economists then talked explicitly of honoring people's "economic rights," and of automatic resource transfers from wealthy to poor countries,[3] and recommended "very strong redistributive policies" in order to achieve a "high growth" scenario.[4] "Land reforms" as well as "pricing policy changes" were wheeled forward to increase the incomes of the poor.[5] Somebody—in other words, the redistributors—would have to take land away from land owners and give it to others. Then they would have to set prices arbitrarily in order to achieve certain desired goals. Despite the proven historical failure of "land reforms" in Mexico, India, Peru, South Vietnam, and the entire communist world, and the irrelevance of such "reform" in the economic success of pro-capitalist Taiwan, the United States was to vigorously promote such land and other "reforms" in various Third World states. Productive land owners were to be "compensated" with near-worthless government bonds and replaced by people with insufficient capital and know-how. The state, the effective owner of the new "cooperatives," would now dictate what crops were to be planted. Recently in one country instead of growing the big earners of foreign exchange such as coffee, cotton, and sugar, farmers were to grow corn, rice and beans, which cost more to grow than to import. Banks, of course, would be nationalized, so that the enlightened authorities could allocate credit according to political rather than mere economic priorities. Wages would be frozen and salary-increasing job promotions would be outlawed. And, as is the case throughout the Third World, the state would control all export trade through various means, not the least of which would be heavy taxation.

The poor peasants in such countries, of course, have merely exchanged one burden for a greater one. They have been thrust into the position of being businessmen without having business experience, decision-makers whose decisions are forced upon them by the omniscient state, and entrepreneurs whose access to capital is being choked by the flight of local capital abroad and the inefficiencies of non-market, nationalized credit. One prerequisite of their economic success, namely political certainty, is absent—thanks to the very means by which they received their land: redis-

3. *Ibid*, p. 2.
4. *World Development Report 1979*, World Bank, p. 19.
5. *Bilateral Assistance Program*, p. 12.

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tribution. If redistribution is done for purposes of "greater equity," then as time passes and some farmers succeed where others fail, redistribution will presumably have to be re-applied, and so *ad infinitum.* The result, as occurred in India, is that farmers are often discouraged from engaging in the most efficient farming practices for fear of losing their land. Of course, there is considerable question as to whether they own the land or the land owns them; as is currently the case in one Latin American country, the new "landowners" cannot sell their plots for thirty years. That all this means less productivity and a lower standard of living there can be no doubt—all this thanks to Washington's new brand of exported socialism.

As such a country suffers further economic contraction, the appeal of socialist redistribution will continue to grow. When new wealth cannot be created, the natural human reaction is to see that what wealth there is be fairly shared. And as this hopeless feeling spreads among the populace, the constituency for further violent revolution grows. Thus, such a country becomes like another inner-city American ghetto: we must send food stamps to make up for its new economic and agricultural shortfalls; dispatch police to keep the Marxist outlaws from disturbing the peace; and, perhaps eventually, withdraw in despair and allow the country in question to fall into the condition of the South Bronx.

The irony of this situation is that the heirs of the Truman-Eisenhower-Kennedy tradition have not fully repudiated either of these development strategies. True, when confronted with the extreme redistributionist demands that the South makes of the North, they have recoiled with an instinctive rejection. Nevertheless, foreign economic aid, in the form of direct transfers to Third World governments, continues to be seen as an essential element of an anti-communist foreign policy. Designed primarily to strengthen the recipient governments, with the ancillary hope that it will quench at least somewhat the foreign thirst for capital and maybe even "trickle down" a bit, this form of aid represents the perpetuation of faulty assumptions as to how wealth is created, and how governments can achieve greater legitimacy and stability through prosperity.

A New Doctrine?

What is therefore needed is a change in foreign policy comparable to the recent intellectual and political revolution in our domestic policy. Military preparedness is, of course, a *sine qua non* of a

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new foreign policy; but it should be accompanied by appropriate foreign economic and political initiatives. It should be plain that it is not sufficient to protect U.S. interests by military power alone in places abroad where people see the United States as indifferent or hostile to their economic and political concerns. What is needed is a positive vision, *consistent* with traditional American values, that can be exported to the rest of the world. What is needed, literally, is a new, yet traditional, foreign policy "doctrine," with all the ideological connotations that the word implies.

The centerpiece of such a doctrine must be those values which have made America a revolutionary political success. These offer a vision of a world in which as many countries as possible can enjoy genuine legitimacy, political pluralism, democratic free market economies, civic freedoms, economic growth, prospect of upward mobility, and a rising standard of living for all people in society. It is doubtful, of course, that the world will ever fully realize such a dream. But that does not mean that real progress cannot be achieved. In comparison with the entire history of the human condition, we in America have succeeded. Such Third World countries as Taiwan, Singapore, and South Korea have also taken enormous strides. And such countries as Sri Lanka and Ivory Coast, which are trying some of the recipes of American economic success, are beginning to move in the same positive direction.

Success, of course, will only come in degrees. Hence the importance of being able to make those distinctions—such as between totalitarianism and authoritarianism, or between socialist and capitalist economic orders—which are relevant to assessing the varying degrees of progress. One maxim here especially should not be forgotten: that although capitalism may not be a fully sufficient condition for a truly liberal society, it is, from all historical experience, an essential component. It is because the capitalist free market is fundamentally a democratic institution that it has historically expedited the kind of political evolution that results in liberal democracy. To borrow a phrase that Marxists employ when introducing a coincidence, it is no coincidence that Ivory Coast, after twenty years of capitalist growth, has been able to hold its first free parliamentary elections since its independence.

The means toward these ends are several; the first of such means is moral argument. No politician or statesman ever succeeded in sustaining popular support unless he credibly explained his program in moral terms. America needs a campaign to reaffirm the goodness and essential justice of our system. After all, it

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is toward the American system that the emigrants of this world continue to flock. "Voting with your feet" remains one of the only democratic institutions in the non-democratic world. By this judgment, the American ideology wins all "elections" hands down.

As I have shown elsewhere,[6] the Soviets consider the moral strength (or "ideological strength") of a nation to be the key criterion in their assessment of the strengths and weakness (or "correlation of forces") within that nation. Something, after all—and not advanced weaponry—has prevented (or, at this writing, at least delayed) a Soviet invasion of Poland. Something, and not economic power, compelled the Soviets to banish Aleksandr Solzhenitsyn rather than execute him. As it happens, the Soviets saw "ideological weakness" as the greatest weakness of America during the period of so-called "detente." This was based fundamentally on their perception of the ideologically-rooted breakdown in the traditional American foreign policy consensus. If there was any reason for our defeat in Vietnam, it was our demoralization, partly inspired by a vigorous propaganda campaign conducted by the communists. Where they appropriated for themselves all the anti-colonial, nationalist, and liberation slogans, and asserted the legitimacy of their political-economic order, we balked morally, only to splutter some half-hearted notions about how we would introduce some new political-economic order that would be "more appropriate" for Vietnam: a "Third Force," a combination of capitalism and socialism complete with a redistributionist "land reform."

But the moral means must be connected to an economic means. And here there is no "Third Force"—or other alternative with legitimacy if we go by the American conceptions of human rights. The economic means, therefore, must be to export to the world the original (and currently revived) recipe of American economic success: free market growth, freedom to earn and dispose of the fruits of one's labors, and production and distribution priorities guided by prices set by the democratic free market and not by an authoritarian elite.

We should thus encourage the removal of all those barriers to production such as excessive taxes and tariffs that destroy incentives; government regulations that foster uncertainty and increase production costs; and abuse of the creation of money that destroys

6. *Soviet Perceptions of U.S. Foreign Policy* (Ithaca: Cornell University Press), forthcoming.

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its utility as a reliable unit of account and store of value. We should encourage common markets, common currencies, free trade areas, enterprise zones with tax holidays of the kind enjoyed in Taiwan and Sri Lanka, and private, as opposed to government-authoritarian, enterprise. Since so much of the world is involved in agriculture, yet remains hungry, we should encourage agricultural reforms such as: adoption of private systems of rural credit; elimination of transportation restrictions, government-set food prices, and requirements that produce be sold to the government (which force farmers to subsidize government-run industrialization schemes); and the elimination or reduction of a myriad of taxes on land, marketing, income, exports, and so on. People should be reminded that any place where "14 families" control all the private wealth is a place *without* real free markets and competition, places where *government* is used to protect monopolies, privileges, and corrupt relationships. Finally, foreign aid should be used as both a carrot and stick to encourage free market institutions. For example, if a country's production incentives were being crushed by excessively high marginal tax rates, the U.S. government could propose that it significantly lower these rates, offering in return to pay for any revenue lost as a result of tax reduction. Since the budgets of such countries tend to be small, the sum would be negligible. Besides, in most countries where tax rates are prohibitive, revenue increases from tax reduction would vitiate the necessity of such payment.

The principal mechanisms of exporting the American Idea are public diplomacy and foreign information. Every weapon in this non-military arsenal must be deployed: international broadcasting, American libraries abroad, international educational, cultural and visitors' exchanges, the distribution of books, pamphlets, television programs and films, the hiring of more foreign service information officers as well as foreign nationals (such as journalists) to work in U.S. information posts abroad, and the increased, vocal use of international forums such as the U.N. for ideological offensives. These functions are a necessary complement to traditional diplomacy in the age of mass media. Indeed a new symbiotic relation must be developed between traditional and public diplomacy. For too long, our voices of public information have been muted and sometimes even censored for fear of offending the foreign governments we were trying to accommodate. Accommodation is surely a vital tool of diplomacy. But it never should still the voice of freedom. What is needed is a capacity to conduct a

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"two-track" foreign policy, where both the publics and governments of foreign countries may be independently addressed. The Soviets are very skillful at such a policy: they blast American imperialism over Radio Moscow while simultaneously calling for arms control negotiations. The British can do it too: when a foreign government complains to the British ambassador about an offensive broadcast of the BBC, the ambassador issues a polite disclaimer: "I sympathize with you, but our foreign office has no control over BBC programs." American ambassadors, on the contrary, will send home complaining cables which end up muzzling Voice of America broadcasts.

The blunt truth is that a two-track foreign policy is the only way we can avoid diluting the strength of our political-philosophical message while simultaneously making necessary diplomatic compromises. We would otherwise dilute our national will and morale while negotiating with adversaries. For example, arms control negotiations involve diplomacy, compromise, linkage, the avoidance of actions that would worsen relations with the Soviet Union. Under traditional non-ideological diplomacy, this requires doing anything to avoid offending the Soviets, such as not inviting Solzhenitsyn to the White House. But the United States thus runs the risk of demoralization: the tendency is to oversell detente and the benefits of arms control as steps toward peace. The result is a false sense of security and the obscuring of those ideological factors that make the East-West conflict philosophically irreconcilable. Public and political opinion, as we well remember from the heyday of detente, then tends to ask the question: if the East-West conflict is subsiding, why need we spend large sums of money on defense? It is for this reason, among others, that those who are conscious of Soviet political strategy tend to be skeptical of the arms control process.

The Soviets, of course, fully realize this danger of ideological backsliding. That is why they never cease to stir the morale of their troops—both military and civilian. Indeed, the essence of Soviet internal debates over military doctrine centers around the moral factor. Colonel Rybkin's famous quotation on the winnability of nuclear war is based precisely on this: "The *a priori* rejection of the possibility of victory is bad because it leads to moral disarmament, to disbelief in victory, to fatalism and passivity."[7] The

7. Ye. Rybkin, "On the Nature of Nuclear Rocket War," *Kommunist vooruzhennykh sil*, (September 1965).

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difference between Soviet and American moral strength, however, is that the Soviets fundamentally suffer from illegitimacy and must artificially bolster their moral strength through total control and manipulation of all information media and propaganda. We in America, however, derive our strength from our legitimacy, and need to be prodded only when we take the blessings of our system for granted.

A final element of a morally self-confident foreign policy must be the politico-military-economic support of pro-Western forces struggling for freedom around the world. It is true that we have had a tradition of offering such support. Sometimes, circumstances dictate that it must be done covertly. But as a rule, the United States should conduct such support *openly*. This supplies the key ingredient in any political struggle: moral support. There is nothing that can help such a struggle better than our vigorous declaration of the justice of the cause in question.

In short, what is needed is an ideological offensive by the United States, an offensive for our ideals of freedom, growth, social mobility, and popularly based legitimacy. In a dangerous world, it is a non-military weapon which we can use to prevent ever having to use our military weapons. It is the weapon offering that hope of a better life that people crave around the world. Mere defense, as defensiveness, is no longer enough against the enemies of our values. In diplomacy even more than in war, as Napoleon observed, attack is the best form of defense.

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Unwillingly to School*

DAVID J. ARMOR

The school busing crisis has been continuing for over ten years, and it shows no signs of abating. Massive mandatory busing has been ordered recently by courts in Los Angeles, Columbus (Ohio), and St. Louis; and major busing lawsuits are still pending in San Diego, Cincinnati, Kansas City (Missouri), and Indianapolis. Clearly, court-ordered busing is alive and well. This is a remarkable achievement for perhaps the most unpopular, least successful, and most harmful national policy since Prohibition.

Few would disagree with the Supreme Court's judgment that intentional segregation of the schools is prohibited by the United States Constitution. Moreover, racial isolation and discrimination do exist in American society and in the schools; and these conditions should be combated wherever they are found. But there is disagreement with mandatory busing, the method chosen by the courts to remedy segregation. Just as Prohibition was not a feasible and equitable remedy for alcohol abuse, so mandatory busing is not a feasible and equitable remedy for school segregation. Like Prohibition, the policy is not merely ineffective; it is counterproductive.

How did the courts come to adopt such a disastrous policy? Although court-ordered busing is only one example of the trend toward an activist judiciary aiming for social reform, there is no question that studies and testimony by social science experts have played a crucial role in its evolution. Social science evidence was used to arrive at early court findings that segregation was harmful to the basic educational and psychological development of children. Social science evidence was also used in later decisions to support desegregation and racial balance as proper remedies for the past harms of segregation—remedies that would improve race relations and offer educational advantages for minority students. Finally, following the failure of early voluntary methods, social

*Portions of this essay were part of a statement to the Constitution Subcommittee of the U.S. Senate Judiciary Committee on May 14, 1981. This statement is not prepared in connection with a Rand contract or grant; the views expressed herein are the author's own, and are not necessarily shared by Rand or its research sponsors.

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science evidence was used to argue that housing and school segregation were inextricably bound together, that a neighborhood school policy consequently furthered segregation, and that mandatory busing was the only effective way to achieve desegregation.

Unfortunately for the American public, much of this social science evidence and testimony was based on unsound or incomplete research. All too often desegregation experts were strong political advocates of mandatory busing, and, in their zeal to convince courts to order busing, they overlooked serious flaws in their research.

At this point, however, there is overwhelming social science evidence that mandatory busing has failed as a feasible remedy for school segregation. It has done so, first, because public opposition and white flight have been so extensive as to increase, rather than to decrease, racial isolation in many cities. Second, desegregation has not produced the educational and social benefits that were promised. Not only does it fail to truly desegregate, it also fails to remedy the presumed effects of segregation.

Mandatory busing fails, third, simply because it is not an equitable remedy. By rejecting a neighborhood school policy on the grounds of housing segregation, the courts deprive parents of their traditional right to choose schools close to home. Since it is unreasonable to hold schools accountable for housing patterns, the extent of the remedy far exceeds the scope of the violation.

The basic problem is that the courts have not yet accepted this evidence. Known facts are frequently obscured by social scientists and civil rights leaders who equate any criticism of mandatory busing with racism. Has not the time come to acknowledge these facts, to admit the failure of mandatory busing, and to find ways to end this harmful policy? Let us therefore review recent evidence on the effects of mandatory busing policy.

Los Angeles and White Flight

After some ten years of legal battle in the state courts, mandatory busing began in Los Angeles in the Fall of 1978. The plan was limited to grades 4 through 8 and the effects were devastating on those schools in the plan. An astonishing 60 percent of the 20,000 white students to be bused never showed up at their minority receiving school, and some individual minority schools lost over 80 percent of the bused white students. Most of these white students moved to the suburbs or transferred to private schools. As a result, most of the minority receiving schools remained seg-

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regated. If these figures sound shocking, consider the geography of Los Angeles: white and minority concentrations live so far apart that the average bus ride was nearly fifty minutes one way, and some bus rides actually lasted ninety minutes!

In 1980 the state court ordered an expanded busing plan to include grades 1 through 9 in spite of this white flight (which I documented for a state court in 1979), and in spite of state law requiring only "reasonable and feasible" desegregation plans. The court acknowledged the existence of white flight by allowing for a white flight factor of *up to 50 percent* when designing the 1980 plan. This led to one of the more bizarre desegregation plans in the history of school busing: in some cases, five or more white schools had to be clustered with a single minority school in order to end up with a projected white enrollment of at least 40 percent, which was the desegregation definition used by the court.

Notwithstanding these extreme steps, the 1980 plan still failed to desegregate most minority schools included in it. More than half ended up with white enrollments under 30 percent, and most of the rest had less than 40 percent white enrollments. A high price was paid for this token increase in integration. Between 1976 (when the controversy started) and 1980, Los Angeles enrollment declined from 219,000 white students (37 percent) to 125,000 white students (24 percent). About half of this loss was due to normal demographic factors, such as declining white births. But nearly 40,000 white students fled the district because of busing.

Fortunately, this new plan did not last. On April 20 of this year, mandatory busing came to an end in Los Angeles, the first time this has happened in a major city with court-ordered busing. Los Angeles had been operating under a state Supreme Court order requiring desegregation regardless of the cause of segregation. In 1979 the voters of California passed Proposition 1, which prohibits court-ordered busing except when ordered as a remedy for violating the federal Constitution. A state appeals court has ruled that Proposition 1 is constitutional and, moreover, that Los Angeles had not violated the federal Constitution by intentional segregation policies. Many experts were shocked when the state Supreme Court, which is responsible for California's busing policy in the first place, let the appellate ruling stand—no one more so than the trial court judge who had fashioned the Los Angeles plan. He promptly resigned.

Unfortunately, this does not end the matter. A new lawsuit has been filed in the federal courts by the NAACP and, if recent cases

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are any indication, the federal courts could very well reinstate busing in Los Angeles in the future. In fact, the federal district judge who will hear this new case tried to prevent the dismantling of busing just two days before it was to end, on the grounds that the NAACP's claim of intentional segregation "had merit." The trial court was overruled by the 9th Circuit Court of Appeals on procedural grounds, but a final determination will not be made until a full hearing is held.

White flight from mandatory busing is not confined to Los Angeles. Indeed, massive white flight has occurred in nearly every central city undergoing court-ordered mandatory busing. But the federal courts have paid little attention. White enrollment in Boston public schools, which began busing in 1974, has dropped from 57 percent to only 35 percent today; white enrollment in Denver schools has likewise declined from 57 to 41 percent over a similar period. Although some of this white decline is due to natural demographic factors, analysis shows that about half of it has been caused by the busing.[1]

These facts were before the Supreme Court prior to their recent decisions in Columbus and Dayton (Ohio); but mandatory busing plans were approved for these cities nonetheless. Dayton public schools have dropped from 53 percent white to 43 percent since busing began; Columbus is headed in the same direction, having lost 17,000 white students (out of 64,000) in the three years since they were ordered to begin busing.

In recent years a significant fraction of fleeing students, perhaps up to half, have done so by transferring to private schools. In some instances this has contributed to a reversal in the decline in private school enrollment, and in some cities it has produced significant increases in the share of all white students enrolled in private schools (see Figure 1). In Los Angeles, for example, the proportion of all white students in private schools increased from 23 percent in 1974 to 43 percent in 1980. Between 1978 and 1980, the first three years of busing in Los Angeles, private schools experienced a massive increase of over 20,000 students. In Boston, the share of all white students enrolled in private schools has reached 52 percent, up from 34 percent before busing.

The trends in private school enrollment can only be reinforced by Professor James Coleman's new study, which finds that even

1. *See* David J. Armor, "White Flight and the Future of School Desegregation," in Stephan and Feagin, *School Desegregation* (New York; Plenum, 1980).

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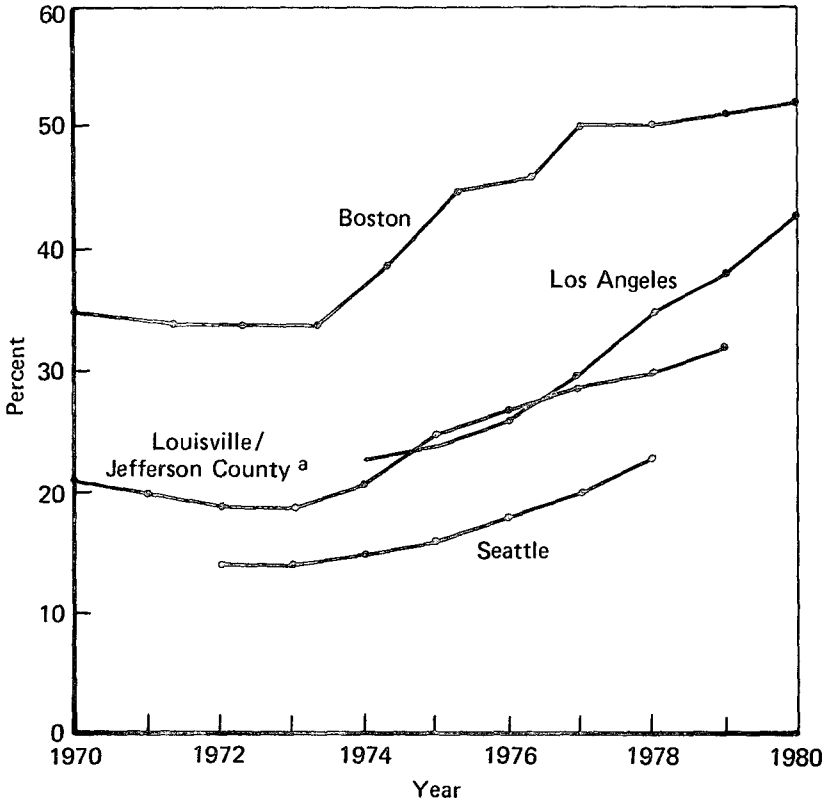
Figure One

Percent of all white students in private schools



[a]Metropolitan plan

after controlling for the socio-economic background of parents,[2] private schools produce more academic gains than public schools. The danger of continued mandatory busing therefore is an acceleration of racial segregation, not only between city and suburb, but between predominantly minority public schools and predominantly white private schools.

Alas, a number of social scientists have contributed to confusion about the white flight phenomenon. When Professor Coleman published a major study concluding that school desegregation

2. James Coleman, Thomas Hoffer, and Sally Kilgore, *High School and Beyond: Public and Private Schools* (The National Opinion Research Center; Chicago, March 1981).

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policy was increasing white flight and resegregation, Reynolds Farley of the University of Michigan and Christene Rossell of Boston University issued immediate attacks claiming that their data refuted Professor Coleman. When Mr. Farley and Miss Rossell had time to re-analyze their data with more careful techniques, they both concluded that there was white flight after all, but it was limited to a one-year effect. The Los Angeles experience will surely put to rest the fallacious claim that white flight is only a minor phenomenon, limited to a small one-time impact.

Busing and Remedy

To justify mandatory busing as a feasible remedy for school segregation, the courts must demonstrate that it has two properties. First, it must truly desegregate by reducing segregation where other methods fail. It is clear from the experience of Los Angeles and many other school districts that white flight nullifies the first justification.

The second major justification for mandatory busing plans is to eliminate the *effects* of past discrimination and isolation, and to provide equality of educational opportunity for minority students. According to most court findings, which are backed up by numerous social science studies, equality of opportunity can only be accomplished by providing a desegregated education. The predominant view here, from the Brown decision to the present day, is that segregated schools were harmful for black students by perpetuating prejudice and by leading to a poor self-concept and lower academic performance. Desegregation and school busing were intended not only to remedy racial isolation itself, but to remedy the *effects* of isolation by improving both race relations and the educational performance of minority students.

There is no question that minority groups have suffered from prejudice and discrimination and that the academic performance of minority students frequently falls behind that of white students. We certainly need programs to combat these problems. But there is now an abundance of evidence that desegregation *per se* does not improve either race relations or the academic performance of minority students. Again, let us examine the evidence.

A doctoral dissertation by Ronald Krol reviewed 129 studies of the effects of desegregation on minority student achievement.[3]

3. Ronald A. Krol, "A Meta Analysis of the Effects of Desegregation on Academic Achievement", *The Urban Review*, Vol. 12, No. 4, (1980).

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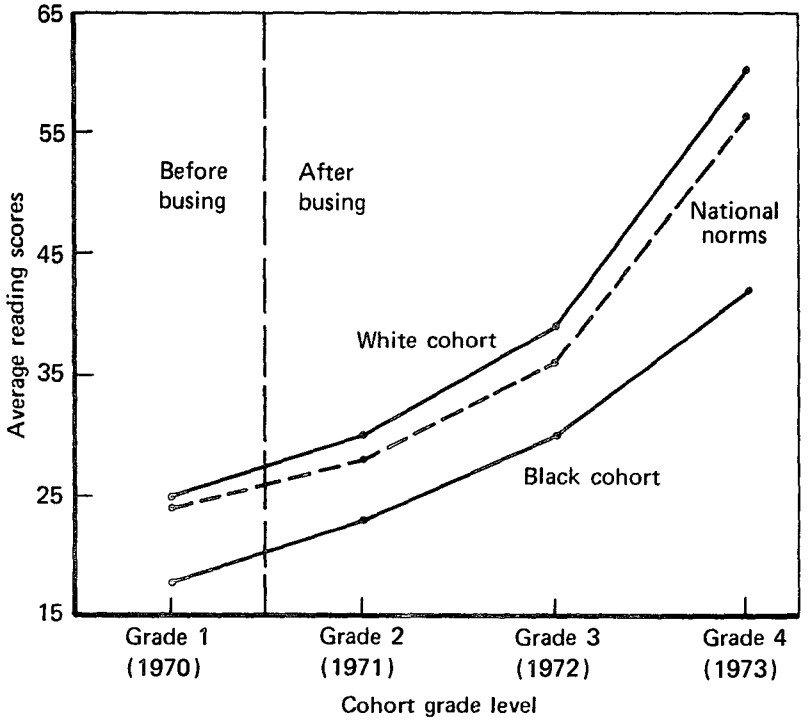
Figure Two

Pasedena reading achievement changes after busing



This study differs from several other recent reviews of desegregation and achievement by estimating the *size* of the desegregation effect. For example, one recent review claimed a positive effect of desegregation on achievement but did not estimate the size of the effect.[4] In contrast, Dr. Krol found that for those studies where there was a segregated comparison group, the net achievement gain of desegregated minority students was small and not statistically significant.

One illustration of this lack of effect is shown in Pasadena, California, which was one of the first cities to experience massive court-ordered busing. A 1974 study showed that, after four years of desegregation, the difference in achievement between minority students and white students (and the national norms) remained

4. Robert Crain and Rita Mahard, "Desegregation and Black Achievement: A Review of the Evidence" *Law and Contemporary Problems*, 42 (1980).

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relatively constant. Both minority and white students showed normal increases in learning, but desegregation did not close the gap. (See Figure 2.)

School busing is also supposed to remedy the effects of segregation by increasing positive racial contact, reducing prejudice, and thereby improving race relations in general. Again, there is no consistent evidence that this has happened in desegregation programs.

One of the more comprehensive reviews of desegregation and race relations was conducted by Professor Nancy St. John in 1975.[5] She found that the effects of desegregation on several measures of race relations were mixed. Some studies showed positive effects, some negative effects, and some no effect at all. When the studies were restricted to those with more rigorous research designs, a majority of the studies actually showed that desegregation had negative effects on race relations.

Exactly why school desegregation might have harmful effects on race relations is indicated in an important new study of the Indianapolis schools by Professor Martin Patchen.[6] He found that white high school students experienced more unfriendly actions from black students than vice versa, although a majority of students of both races described relations as "fairly" or "very" friendly. For example, during one semester 58 percent of white students reported attempts by black students to extort money; 55 percent reported being blocked in the hallway by black students; and 51 percent experienced threats of harm from black students. The same percentages for black students, reporting unfriendly actions from white students, are 11 percent, 26 percent, and 16 percent, respectively.

Professor Patchen notes that these acts of aggression were not necessarily racial in purpose; black students tended to report more aggression toward *both* black and white students. For example, 34 percent of the black students reported hitting a white student first, but 33 percent of the black students also reported hitting a black student first. The comparable figures for white students are 18 percent (hitting a black student first) and 22 percent (hitting a white student first). Thus both races tend to be as aggres-

5. Nancy St. John, *School Desegregation: Outcomes for Children* (New York; C. Wiley & Sons, 1975).

6. Martin Patchen, *Black-White Contact in Schools: Its Social and Academic Effects* (West Lafayette, Inc., Purdue University Press, 1981 [in press]).

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sive with their own race as with the other race, but the level of aggression is higher for black students than for white students.

Of course, these findings do not mean that desegregation is inevitably harmful to race relations. There are many settings and circumstances in which racial contact is beneficial. But they do underscore the fact that we do not fully understand the dynamics of racial contact and conflict, suggesting that the way desegregation is being implemented in schools today may well produce more damage than benefit. Those social scientists who encourage courts to order mandatory busing, on the grounds that it will improve race relations, are ignoring the significant number of studies showing negative impact.

Finally, is mandatory busing equitable? This raises the relationship between the scope of the segregative violation and the extent of the remedy.

In the south, where state-mandated dual schools existed, many lower courts concluded that school segregation and other governmental actions had contributed to housing segregation, and that in consequence a neighborhood school policy would rest upon illegal housing segregation. Although the Supreme Court never ruled on this issue explicitly, it was unwilling to give blanket approval to a neighborhood school policy that allowed existing black and white schools to remain segregated. Moreover, voluntary transfer plans proved capable of desegregating white schools but not black schools. So mandatory busing eventually came to be viewed as the only way to desegregate black schools. Of course, in many cities white flight has proved this view wrong; but the extent of white flight was not anticipated when mandatory busing was first proposed.

Some social scientists dispute the courts' view that housing segregation has been influenced significantly by school segregation, and challenge the legal thesis that, but for school segregation, housing segregation would be nonexistent or considerably reduced.[7] The most compelling evidence that housing segregation does not depend on the dual school system comes from many northern and western cities. Housing segregation exists there without any history of state-mandated school segregation. Without the legal and social science thesis connecting school and hous-

7. The most comprehensive critique of this thesis appears in a new book by Professor Eleanor Wolf, *Trial and Error* (Detroit, Wayne State University Press, 1981).

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ing segregation, however, the courts have little justification for disapproving a neighborhood school policy.

In northern desegregation cases where state-mandated segregation has not existed, the mismatch between violation and remedy becomes even more extreme. In cases like Denver, Omaha, Milwaukee, or Los Angeles, the courts claim that constitutional violations arise from such policies as voluntary transfers, building schools in expanding neighborhoods that were predominately white or black, gerrymandering attendance boundaries, allowing optimal attendance zones, and so forth. Some of these policies do have significant segregative effects; some do not. But there is no basis whatsoever for assuming that these specific violations are responsible for the extensive housing segregation that exists in these districts. The courts rarely design a remedy that merely corrects those specific violations shown to have segregative effect. Instead, they adopt district-wide mandatory busing on the implausible grounds that these specific violations *might* have had a segregative effect elsewhere in the district or on housing choices. Again, the neighborhood school policy is abandoned in these cases and a remedy imposed that intends far greater desegregation than justified by the known violations.

In citing these studies, I do not mean to imply that social scientists are in agreement about the lack of educational and social benefits from desegregation, the possible harmful effects of desegregation on race relations, or the causes of housing segregation. These controversial issues are still being debated (although the number of scientists critical of mandatory busing is growing). The heat of that controversy is best illustrated by a report from the National Academy of Education, which brought together the views of eighteen distinguished experts, including some critical of mandatory busing.[8] According to a *New York Times* story, the fact that a number of the panelists criticized manadatory busing delayed the publication of the report and prevented its wide distribution by the U.S. Department of Health, Education, and Welfare.[9]

Studies like the ones cited here raise more than a reasonable doubt that mandatory busing is an effective remedy for the past harms of school segregation. In my opinion, the evidence over-

8. "Prejudice and Pride: The Brown Decision after Twenty-five Years." (National Academy of Education, U.S. Department of HEW, 1979).

9. Gene I. Maeroff, "Delay by HEW in Issuing Report on Desegregation is Questioned," *New York Times*, May 23, 1979.

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whelmingly supports the conclusion that mandatory busing fails as a feasible and equitable policy.

Remedies For Segregation

Criticism of mandatory busing does not mean, however, that government agencies should abandon desegregation programs, or that parents and children should not participate in them. Basic American values demand that we work for an integrated society. But those same values also determine the legitimate methods for ending segregation. In the absence of evidence that mandatory busing works, it is neither just nor equitable for courts to impose it on those citizens who oppose it, whether minority or white. A court-imposed remedy is stripped of its legitimacy when the facts show that it is not a remedy at all. It then becomes an improper social reform by courts, imposing their own view of how schools should be run.

Few intelligent laymen will dispute the failure of school busing policies. The hard problem is how to stop it. Not many national policies have withstood the degree of sustained public opposition that has been directed at busing. Indeed, a recent Gallup Poll shows that nearly three-quarters of the American public is opposed to mandatory busing for racial balance—a figure that has not budged for ten years.[10]

The first solution that comes to mind is a constitutional amendment to prevent busing. This is a perennial favorite of many members of Congress. But the approach is too narrow and in fact exacerbates the very condition to be corrected. The busing crisis was not created by some clause in the Constitution which now must be removed; it was caused by an activist judiciary that overstepped the proper bounds of judicial review. If we amend the Constitution for every social issue improperly legislated by the courts, the Constitution will become patchwork law rather than statement of basic principles. Since this approach would bypass the legislative process, moreover, it may actually contribute to judicial supremacy by offering yet another amendment for the Court's interpretation. If the Constitution is to be amended, we must address the fundamental issue—the proper limit of judicial authority—rather than any single manifestation.

10. Gallup Poll, "The Gallup Report," No. 185, (Princeton, N.J., February 1981).

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Another solution would be for the Supreme Court itself to change its policy on busing. There are several Justices, including Justices Powell and Rhenquist, who seem to want a complete review of school desegregation remedies.[11] But the Court's recent decisions on Columbus and Dayton, Ohio, suggest that the majority is not ready to abandon mandatory desegregation by busing. New appointments by President Reagan could have some impact, but to an unknown degree. After all, long-standing Supreme Court policies tend to have considerable staying power, independent of new justices on the panel. Like Senator Moynihan, I believe that the Supreme Court will eventually correct its mistake on busing.[12] But if it takes the Court as long to correct this mistake as it did to correct its separate-but-equal policy, nearly sixty years, our public schools may never recover.

Some legal scholars claim the courts became involved in school segregation only reluctantly, after legislative bodies had failed to enforce the 14th Amendment. If so, perhaps the best solution is for Congress to take the initiative, and insist that Congress should have a role in enforcing the 14th Amendment, particularly in designing feasible remedies for constitutional violations by school districts. The courts would still determine whether a constitutional violation had occurred and would select a remedy—but only from those remedies that Congress has determined to be feasible and equitable for any given type of violation. This kind of division of power is found in other branches of law, where legislation sets the type of penalty appropriate to a particular infraction, and the courts decide on innocence or guilt and select the penalty.

Some constitutional experts believe that Congress has the authority to pass such legislation under Section 5 of the 14th Amendment, which empowers Congress to enforce the Amendment, and under Article III, Section 2, which states that "The Supreme Court shall have appellate jurisdiction, both as to Law and Fact, with such exceptions, and under such regulations, as the Congress shall make."[13] Congress has never attempted to use these combined powers in order to limit the Supreme Court's reformist posture in remedies for 14th Amendment violations.

11. *See* their dissent in Estes *vs.* Metropolitan Branches of Dallas NAACP, 444 U.S. 437, (1980).

12. Daniel Patrick Moynihan, "What Do You Do When the Supreme Court is Wrong," *(The Public Interest*, No. 57, Fall, 1979).

13. See Charles S. Rice, *Reagan and the Courts*: *Prospects for Judicial Reform*, (Washington, D.C., Washington Legal Foundation, 1980).

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If Congress decides to fashion legislation restricting the Court's remedial authority in school desegregation cases, several features might be incorporated to enhance success.[14] First, Congress should consolidate social science evidence showing the feasibility of various types of remedies for school segregation. This evidence can serve as findings of fact to support new legislation defining remedies. Such remedies as voluntary transfers, neighborhood school policies, special magnet schools, and compensatory programs might be found acceptable; mandatory busing to non-neighborhood schools could be found neither feasible nor equitable. Second, new legislation should represent an affirmative step to acknowledge the existence of constitutional violations and to address the need for feasible remedies, rather than legislation simply opposing mandatory busing. Negative legislation undermines the division of power principle by merely challenging the Supreme Court while ignoring Congress' obligation to enforce the Constitution under Section 5 of the 14th Amendment. Third, the legislation should tailor the remedy to fit actual violations; existence of violations affecting only some schools should not be used as a "trigger" to impose a district-wide desegregation plan. Finally, the legislation should require the courts to use the new law during the remedial phase of a trial, invoking congressional power under Section 2, Article III of the Constitution.

There are likely to be arguments over whether Congress has the authority to regulate remedies for 14th Amendment violations. Some will say that the Supreme Court would declare such a law unconstitutional. But such arguments miss the essential point. At its foundation, the busing crisis amounts to excessive court intervention to eliminate the neighborhood school and to substitute a social policy of racial balance. If Congress devises a fair and reasonable division of powers for enforcing the 14th Amendment, and the Supreme Court declares the law unconstitutional, then Congress has a very strong case for a new amendment putting this division of power into the Constitution. Such an amendment would have the virtue of redressing a fundamental problem—excessive judicial intervention in social policies—rather than merely opposing the Supreme Court on a single issue.

14. Some of these ideas were influenced by discussions with Donald Lincoln, of Jennings, Engstrand, and Henrikson, San Diego; and Professor Mark Yudof, University of Texas Law School, Austin.

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Investigating the FBI

DAVID MARTIN

At the end of March 1971, as a result of the burglary of the FBI office in Media, Pennsylvania, the American public heard for the first time of the existence of COINTELPRO, the FBI's secret "Counterintelligence Program" directed against subversive and extremist elements and agents of hostile foreign powers. The burglars, who were never apprehended or identified but who were almost certainly inspired by anti-Vietnam war sentiments, sent copies of documents bearing on COINTELPRO to selected media offices. The program itself was terminated the following month. In 1972 and 1974, as a result of Freedom of Information Act suits filed by NBC-TV reporter Carl Stern, the American media featured further revelations about the activities conducted by the FBI within the context of COINTELPRO.

These and other revelations relating to mail openings, electronic surveillance, and the use of informants, led to extensive hearings by the Select Committee to Study Governmental Operations with Respect to Intelligence Activities (the so-called Church Committee). In time a multi-volume report that ran to thousands of pages was produced. As a result, the FBI was pilloried by Congress and the press, with a serious effect on the FBI's morale and operational capabilities.

Now that the heat and the clamor have died down, perhaps it may be possible to re-examine the entire question of COINTELPRO in a more dispassionate manner. COINTELPRO lasted from 1956 to 1971 and, covering different periods of time, targeted the Communist Party USA; the KKK, the domestic Nazis and other White hate groups; Black extremist organizations; the Trotskyite Socialist Workers' Party; the radical core of the New Left; and certain espionage operations and hostile foreign-based intelligence services. It was an activist program which involved not only the gathering of intelligence, but also infiltration plus a variety of stratagems aimed at the disruption and exposure of targeted organizations and the "neutralization" of targeted individuals—that is, rendering them politically ineffective. Public perception of COINTELPRO was, however, warped by media and committee bias.

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Three Views of COINTELPRO

Like the media, the Church Committee found nothing positive or defensible in the FBI's Counterintelligence Program. The tenor of its report may be gauged from the following paragraphs, taken from Volume 2 of the report:

> In its COINTELPRO program, the FBI went beyond excessive information gathering and dissemination, to the use of secret tactics, designed to "disrupt" and "neutralize" domestic intelligence targets. . . .
>
> Their techniques ranged from anonymously mailing reprints of newspaper and magazine articles (sometimes Bureau-authored or planned) to group members or supporters to convince them of the error of their ways, to mailing anonymous letters to a member's spouse accusing the target of infidelity; from using informants to raise controversial issues at meetings in order to cause dissent, to the "snitch jacket" (falsely labeling a group member as an informant), and encouraging street warfare between violent groups; from contacting members of a legitimate group to expose the alleged subversive background of a fellow member, to contacting an employer to get a target fired; from attempting to arrange for reporters to interview targets with planted questions, to trying to stop targets from speaking at all; from notifying state and local authorities of a target's criminal law violations, to using the IRS to audit a professor, not just to collect any taxes owing, but to distract him from his political activities.

The staff of the Committee reflected the left-liberal bias of its chairman, Senator Frank Church. F.A.O. ("Fritz") Schwarz, Jr., the Committee's counsel, had previously served as counsel for the "5th Avenue Peace Parade Committee," an anti-Vietnam war organization controlled by Marxist-Leninists. He also served for some time as treasurer of the American Committee on Africa which has consistently defended terrorist actions and supported terrorist groups in black Africa. William G. Miller, the staff director, was listed in 1976, in *International Policy Studies*, published by the Center for International Policy (one of Stuart Mott's menagerie of anti-establishment organizations), as a Consultant, along with such other left-liberals as Richard Barnett, of the Institute for Policy Studies, and Murray Woldman, a Staff Consultant to Members of Congress for Peace Through Law. Orlando Letelier was also listed as an advisor to the publication.

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Senior FBI officials who testified before the Church Committee contend that the Committee's review of FBI files emphasized the abuses, but paid no attention to the major accomplishments of the Counterintelligence Program, or to the circumstances of the time, or the background of the targets, or to the real objectives of the actions. The massive report put out by the Subcommittee quoted carefully selected extracts from the comprehensive FBI deposition given in executive session. These damaging extracts achieved great publicity; but the full text of these depositions was never published on the ground that it was classified—*although the removal of a single paragraph would have made the major deposition available for publication.* Moreover, surveillance of Martin Luther King, although it was not a COINTELPRO operation, was included in the COINTELPRO report to add to the damage, whereas the "White Hate" Counterintelligence program, which devastated the KKK, was dealt with in a relatively cursory manner.

The Petersen and Pottinger Reports

But the Church report, despite all the ballyhoo, was not the first investigation into the Counterintelligence Program. Two years before, two in-depth investigations conducted by the Department of Justice had produced radically different appraisals. In January 1974, Attorney General William Saxbe asked Assistant Attorney General Henry Petersen to head up a committee to review and report on the FBI Counterintelligence Program. In addition to Mr. Petersen, the committee consisted of four representatives of the Criminal Division of the Department of Justice and three representatives of the FBI, selected by Director Clarence Kelley. On November 18, 1974, Attorney General Saxbe released a summary of the text of the Petersen report at a press conference. (The full text of the Petersen report has never been released.) Summarizing the report, Mr. Saxbe noted that, of 3,247 counterintelligence proposals submitted for the approval of the director, 2,370 had, in fact, been approved and acted on. (These statistics, incidentally, suggest a high degree of discretion in approving proposals.) He conceded that in "a small number of instances" some of the programs involved "improper activities" but emphasized that "most of the activities conducted under these counterintelligence programs were legitimate—indeed, that the programs were in response to numerous public and even Congressional demands for stronger action by the Federal Government."

A second independent investigation was carried out by the Civil

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Rights Division of the Justice Department under Assistant Attorney General Stanley Pottinger. On January 3, 1975, the Civil Rights Division, after an extensive review which involved access to all the files, announced that it had found "no basis for criminal charges" against any of the agents involved in the program.

Still it seems clear that there were a number of indefensible improprieties, including crude personal harassment, especially in the latter years of the program. During the first stage of the Counterintelligence Program, when it was limited exclusively to the Communist Party, personal harassment was strictly forbidden. The excesses that did occur over the life of the program were relatively few and can be blamed on the rapid expansion of the program in the mid-1960s, which resulted in the assignment of many agents who were inadequately prepared.

During the period in question, the FBI ran an average of 700,000 investigations per year, or about 10,500,000 investigations all told. The improprieties constituted only a tiny percentage of the 2,370 Counterintelligence activities approved and acted on. As a percentage of the *total* number of investigations conducted by the FBI from 1956 to 1971, the improprieties were mathematically infinitesimal.

The results, furthermore, are impressive. The Communist Party was devastated, its membership reduced in less than a decade from 70,000 to 5,000 members. The KKK, which, in the early 1960s had been involved in an orgy of attacks on civil rights workers (three civil rights activists were murdered by Klansmen in Philadelphia, Mississippi, in June 1964) and the bombing and burning of churches and synagogues, was similarly exposed and devastated. The Black Panther movement, which had been involved in scores of deadly attacks on law enforcement officers, was for all practical purposes put out of business.

In October of 1970, the Senate Subcommittee on Internal Security held five hearings dealing with "Assaults on Law Enforcement Officers." Testifying on October 6, Charles A. O'Brien, Chief Deputy Attorney General of the state of California told the subcommittee that since January of that year twelve police stations and sixteen automobiles had been bombed and there had been, in addition, numerous snipings. He said that in one such attack, four highway patrolmen were killed by a single assailant using an M-1 rifle; that Black Panthers had used submachine guns in an attempted ambush of Oakland policemen and had used hand grenades against responding police reinforcements;

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and that in the state of California alone, the killings of policemen had averaged two a month since the beginning of the year.

Who Knew?

While there was no congressional oversight of the FBI Counterintelligence Program, there were a number of people in Congress and the Administration who were at least aware of some of the programs. The Church Committee notes that:

> The Bureau has supplied the Committee with documents which support its contention that various Attorneys General, advisors to presidents, members of the House Appropriations Subcommittee, and, in 1958, the Cabinet, were at least put on notice of the existence of the CPUSA and White Hate COINTELPROs.

Among other things, the Church Committee reported on the following notifications to and exchanges with administration officials:

1) Parallel letters dated May 8, 1956 from Director Hoover to Attorney General William Rogers and to Robert Cutler, Special Assistant to President Eisenhower, informing them in some detail of the CPUSA Counterintelligence Program. The letters described how informants had provoked arguments, suspicions, and jealousies within the CPUSA, often by anonymous mailings. The program had resulted in "disillusionment and defection among Party members and increased factionalism at all levels."

2) Similar briefing letters dated January 10, 1961, to Dean Rusk, Robert Kennedy, and Byron White, who were about to assume office as Secretary of State, Attorney General, and Assistant Attorney General respectively.

3) Briefing letters on the White Hate COINTELPRO sent on September 2, 1965, to Attorney General Katzenbach and Marvin Watson, Special Assistant to President Johnson, captioned: PENETRATION AND DISRUPTION OF KLAN ORGANIZATIONS—RACIAL MATTERS. A few days after receiving his letter Mr. Katzenbach replied:

> It is unfortunate that the value of these activities would in most cases be lost if too extensive publicity were given to them; however, perhaps at some point it may be possible to place these achievements on the public record, *so that the Bureau can receive its due credit* (italics added).

Mr. Katzenbach subsequently testified under oath that he had no recollection of this exchange of correspondence and that he had

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not been aware of COINTELPRO or of any sustained improper activities such as letters to wives of targeted individuals.

4) A ten-page letter from Director Hoover to Attorney General Ramsey Clark, dated December 19, 1967, captioned KU KLUX KLAN INVESTIGATIONS—FBI ACCOMPLISHMENTS. The memorandum said:

> We conduct intelligence investigations with the view toward infiltrating the Ku Klux Klan with informants, neutralizing it as a terrorist organization, and deterring violence.
>
> We have found that by the removal of top Klan officers and provoking scandal in the state Klan organization through our informants, the Klan in a particular area can be rendered ineffective.

There is nothing in the Church report to suggest that Ramsey Clark reacted negatively to this highly explicit ten-page report on the techniques used to disrupt the KKK under the White Hate Counterintelligence Program. Like Mr. Katzenbach, Mr. Clark denied to the Committee that he had any knowledge of COINTELPRO activities or any recollection of the memorandum on the KKK which Director Hoover had sent him— a blanket denial which he repeated to the author in a telephone conversation on June 1, 1981. In view of the intense interest which both Mr. Katzenbach and Mr. Clark had in the Klan, their denials raise, at the least, serious questions of competence.

The Church Committee Report, in addition, quotes from eight annual briefing papers prepared for Director Hoover in connection with his appearances before the House Appropriations Subcommittee. It notes that, since there are no transcripts available of these appearances, there is no way of knowing whether the Director actually said more or less than was in the briefing papers. However, it credits the briefing papers with exceptional frankness. The 1960 paper, for example, spoke about promoting "dissension, factionalism and defections," and about propaganda mailings, "carefully concealing the identity of the FBI as the source." Similar briefing papers were provided to Director Hoover prior to his White House visits.

While the Counterintelligence Program may not have been carefully scrutinized by congressional committees or by the Department of Justice, they were certainly aware of their existence, of their basic purposes, and of the essential techniques employed.

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The Communist Party COINTELPRO

When the Counterintelligence Program was first set up in 1956 it was directed exclusively against the Communist Party. This remained the case for five years, while over the fifteen-year course of the Counterintelligence Program the Communist Party accounted for almost 59 percent of the 2,370 actions which were approved and implemented. All told, twelve field offices were involved, in those cities where the communists have the largest organizations. *Personal harassment was strictly forbidden* in repeated directives to these field offices, but a variety of stratagems were employed to expose, disrupt, and weaken the party organization.

At the time of Khrushchev's revelations about the Stalin era, the informants took the floor at party unit meetings and conferences to raise questions about Khrushchev's report. In the case of the Jewish members, the FBI mailed to them—anonymously—copies of blatantly anti-Semitic articles and cartoons that had appeared in the Soviet press, especially during the Stalin era, as well as copies of some of the most effective articles on the subject of Soviet anti-Semitism that appeared in the western press.

As a result of the testimony of Whittaker Chambers, Elizabeth Bentley, and Hedda Massing, all confessed Soviet agents, and as a result of the long series of congressional hearings, the American public learned that there had been a serious communist infiltration of government departments and agencies. Among the people identified were Alger Hiss, who had served as an advisor to President Roosevelt at Yalta and had been in charge of the International Organizations Office of the Department of State; Harry Dexter White, who had served as Assistant Secretary of the Treasury under Morgenthau; Frank Coe, Assistant to Mr. White, who later became head of the International Monetary Fund; Lauchlin Currie, Executive Secretary to President Roosevelt; Lawrence Duggan, head of the State Department's Latin American Division; and over thirty others who occupied positions of considerable importance in various agencies.

Many of those who were named invoked the Fifth Amendment when they were called before the congressional committees. Alger Hiss did not invoke the Fifth Amendment, and was subsequently convicted on a charge of perjury for denying that he had turned over secret government documents to Whittaker Chambers. Harry Dexter White had a heart attack and died just before he was about to reappear before the Senate Internal Security Subcommittee.

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Lauchlin Currie, when subpoenaed to appear before the Senate Subcommittee, fled to Colombia and to this date had never returned to the United States. Lawrence Duggan was killed by a mysterious fall from a skyscraper window in New York in 1952, just prior to his scheduled appearance before the Subcommittee on Internal Security. Frank Coe invoked the Fifth Amendment when he was asked: "Are you a Soviet agent, Mr. Coe?" Dismissed from his job as head of the International Monetary Fund, he took up residence in Communist China where he continued to function as an economic advisor until his death in June of last year.

On top of the revelations about communist infiltration in government, extensive hearings conducted by the Subcommittee on Internal Security from 1952 to 1954 established that there was a parallel infiltration among the Americans employed by the UN—all of whom had been recommended through the office of Alger Hiss. When called before the Senate Subcommittee, twenty-seven Americans employed by the UN invoked the Fifth Amendment—and were dismissed from their positions in an action that was subsequently upheld by a panel of internationally prominent jurists.

There has been a tendency in recent years to accord the Communist Party the status of a conventional United States political party, with all the privileges and rights attendant upon such status. But there was in the 1950s and early 1960s a broad consensus, involving Congress, the Justice Department, the U.S. Courts of Appeal, and the Supreme Court, that the Communist Party was not, in fact, an ordinary political party but a conspiratorial organization under the control of the Soviet government.

Congress went on record in the Subversive Activities Control Act of 1950 in the following words:

> Although such organizations [Communist-action groups] usually designate themselves as political parties, they are in fact constituent elements of the world-wide Communist movement and promote the objectives of such movement by conspiratorial and coercive tactics, instead of through the democratic processes of a free elective system or through the freedom-preserving means employed by a political party which operates as an agency by which people govern themselves.

As late as 1959, in *Barenblatt v. United States* (360 U.S.109), the Supreme Court, in denying the Barenblatt appeal, wrote:

> . . .this Court in its constitutional adjudications has consis-

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> tently refused to view the Communist Party as an ordinary political party. . . this Court has recognized the close nexus between the Communist Party and violent overthrow of government. To suggest that. . the Communist Party. . . should now be judged as if that Party were just an ordinary political party from the standpoint of national security, is to ask this Court to blind itself to world affairs which have determined the whole course of our national policy since the close of World War II. . . and to the vast burdens which these conditions have entailed for the entire Nation.

In June 1961, the Supreme Court upheld the constitutionality of the Subversive Activities Control Act of 1950 and the findings of the Subversive Activities Control Board that the Communist Party was controlled by the Soviet Union. Commenting on this decision, Attorney General Robert F. Kennedy said:

> The Communist Party as it exists in the United States and in other countries is not a legitimate political party. It is a group whose policies, decisions and movements are directed and controlled by a foreign power.

The treatment of these matters in the press over the past twenty years would suggest even to a critical reader that the Supreme Court has reversed itself on some of these decisions or findings. But the fact is that these decisions still stand as the law of the land. If the Supreme Court's judgment of the danger posed to our national security by the international communist movement was in error, then—conceivably—the Communist Party may be regarded as a legitimate political movement. On the other hand, if the Supreme Court's findings throughout the 1950s and early 1960s had, and still have, validity, the FBI's Communist Party Counterintelligence Program would begin to make sense, and the ethical and legal propriety of the program as a whole would be less open to challenge.

The Socialist Workers' Party COINTELPRO

The second nationwide counterintelligence program was instituted in 1961, against the Socialist Workers' Party (SWP), a Trotskyite organization. The SWP Counterintelligence Program was limited in scope; only 46 actions were implemented under this program over its eight-year duration.

As an orthodox Marxist-Leninist movement the SWP is committed to the ultimate revolutionary overthrow of the United States government, to its defeat in war, and to the establishment of a

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proletarian dictatorship. The facts about the SWP are set forth in a 472-page hearing record, "The Trotskyite Terrorist International," put out by the Senate Subcommittee on Internal Security in July 1975, with extensive documentation, which consists almost exclusively of internal party bulletins.

Some of the central facts that emerged in the hearings were: The SWP is not affiliated, as a party, with the Fourth International, but the leaders of the SWP serve on the executive committee of the Fourth International—even though it is supposed to be an International of parties. For the record, the SWP states that it is against the use of terrorism. However, the SWP has supported the Irish Republican Army, the Palestine Liberation Organization, and Latin American terrorists. When Latin American terrorists were apprehended, the SWP raised funds in their defense. The SWP's restraint in using terrorist tactics in the United States is based on the Leninist precept that there is a right time and a wrong time for such tactics, and that the right time is when the country is ripe for proletarian revolution. Obviously this is not the case today.

Beyond this, there is evidence of ties between the Castro government and the SWP. The SWP enthusiastically supported Castro from the beginning and played an important role in the Castroite Fair Play for Cuba Committee. Berta Green, a long-time SWP member and the Secretary of the New York FPCC, was a Trotskyite. The frequent visits of Trotskyite activists to Cuba is also a matter of public record.

The SWP also played a role similar to that of the Communist Party and the New Left in the leadership of the Vietnam protest. The SWP called for the defeat of American troops at the hands of the North Vietnamese. This commitment to the defeat of the U.S. military in Vietnam is dramatically portrayed in a letter written to the August 1971 convention of the Socialist Workers Party by Pierre Frank, a leading member of the Fourth International. In it, Frank wrote:

> The SWP. . . must not stop for one minute [anti-war activity], even if the victory of the Vietnamese revolution seems imminent. It must continue in the USA as in the whole world to prevent American imperialism from making an orderly retreat, to insure that its defeat henceforth inevitable should be the worst possible.

There was, of course, a world of difference between the vast and innocent majority of the anti-Vietnam demonstrators and the

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handful of totalitarians, including the SWP, who, in collusion with Hanoi, gave the movement leadership, manipulated it, committed it to the support of Southeast Asian communism, and encouraged or tolerated violent attacks on universities, ROTC buildings, and other targets.[1]

In 1964, another counterintelligence program was undertaken directed against the Ku Klux Klan, the American Nazi Party, and other White Hate groups. This was a period characterized by much violence directed at blacks and civil rights workers.

In response, the FBI used some innovative counterintelligence techniques in addition to the standard ones. For example, the FBI sought to engender factional hostility and rivalry within violent white racist groups through the use of anonymous letters. It fed information about the Klan and other groups to local law enforcement agencies and to selected individuals in the media for the purpose of exposing them. It sought to create difficulties for the movement by alerting proprietors to the identity of Klan members and to the possibility of violence if the Klan used their premises for organizational purposes. And it prevented the Klan from purchasing electronic surveillance equipment from a legitimate manufacturer by secretly warning him of the identity of his prospective customers. The cumulative impact of these measures did enormous damage to the Klan.

The Black Extremists Counterintelligence Program

The Counterintelligence Program directed against Black Extremists was launched in 1967, following riots in Newark, Detroit, and other cities. The primary target of these operations was the Black Panther Party, whose publications crudely encouraged the killing of law enforcement officers. Characteristic of the rhetoric was this statement by Emory Douglas in their paper, *The Black Panther*, on April 25, 1970:

> The only way to make this racist U.S. government administer justice to the people it is oppressing is. . . by taking up

1. Apart from the numerous trips to Hanoi by leaders of the anti-Vietnam war movement, there is much evidence of this collusion from various sources. In 1968, for example, Robert Greenblatt, an anti-war activist, testified before the House UnAmerican Activities Committee that he and other leaders of the National Mobilization to End the War in Vietnam had met with representatives of Hanoi in Paris and representatives of the Viet Cong in Prague to discuss what activities they could undertake in the United States that would most effectively assist the Viet Cong.

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> arms against this government, killing the officials, until the reactionary forces are dead, and those that are left turn their weapons on their superiors, thereby passing revolutionary judgment against the number one enemy of all mankind, the racist U.S. government.

The letter originating the Black Extremist program, which was sent out to twenty-three field offices on August 25, 1967, described its purpose in these words:

> ...to expose, disrupt, misdirect, discredit, or otherwise neutralize the activities of black nationalist, hate-type organizations and groupings, their leadership, spokesmen, membership, and supporters, and to counter their propensity for violence and civil disorder... Efforts of the various groups to consolidate their forces or to recruit new or youthful adherents must be frustrated.

The initial target groups of the Black Extremist Counterintelligence Program included the Student Non-Violent Coordinating Committee, the Revolutionary Action Movement, Deacons for Defense and Justice, the Congress of Racial Equality, and the Nation of Islam. All of these groups, despite the names of some, involved violent elements. Much was made of the fact that the target list also included Martin Luther King's organization, the Southern Christian Leadership Conference, which was committed to non-violence. The decision to include the SCLC in the target list is indefensible; indeed, the wisdom of doing so was seriously questioned within the bureau. It must be noted, however, that only a handful of actions were directed against SCLC.

Nevertheless, the problem presented by Black Extremist groups was far from clearcut. For example, in the hearings before the Church Committee, the supervisor of the Black Nationalists Counterintelligence Program, George C. Moore, conceded that the Nation of Islam had not been involved in any of the riots or disturbances and that Elijah Muhammed had kept his followers under control and off the streets. Asked why the Nation of Islam had been targeted, he replied that they represented a potential for violence because they were paramilitary and engaged in armed drills. The Church Committee report scoffed at this explanation, saying that "The combination of perceived threat, public outcry, and law enforcement frustration produced a COINTELPRO." But in light of the Hanafi Muslim siege in the nation's capital in 1977, the FBI's concern does not appear quite so outrageous. The Hanafi Muslims, like their parent organization the Nation of Is-

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lam, were organized on a paramilitary basis and engaged in military drills. But they had not been involved in violence until their seizure of the D.C. Municipal Building, the B'nai B'rith building, and the Islamic Center—an act resulting in one person killed, another paralyzed for life, and almost two hundred hostages subjected to a searing psychological ordeal.

As a result of the anti-intelligence climate of the Watergate and Church Committee hearings, all surveillance of the Hanafi Muslims, at both the federal and local level, had come to an end. There were no files on the Hanafi Muslims, and the lone informant for the D. C. Police Department in the Hanafi organization had terminated his activity. In fact, the entire fifteen-man domestic intelligence unit of the D. C. Police Department had been disbanded. With even a single informant in place, the Hanafi Muslim siege almost certainly could have been prevented. Another recent example of violence by elements of the Black Muslim movement was the assassination in July 1980 of Ali Akbar Tabatabai, a former Iranian official, by a Black extremist affiliated with the Muslim Student Committee, under circumstances indicating direction from abroad.

A tactic frequently used in the Black Extremist Counterintelligence Program was the circulation of rumors that certain activists were police informants. The Church report notes that the Bureau attempted to do this in San Diego with a Black Panther Party leader. The Bureau had so successfully disrupted the BPP in the area that for all practical purposes it no longer existed. However, one of the former leaders was exploring the possibility of reconstituting the group and becoming the local captain. To "neutralize" him, a rumor was put out that he was a police informant. It had the desired effect.

The Jean Seberg Case

Media bias in the coverage of COINTELPRO was most dramatically illustrated by its handling of the Paris suicide on September 8, 1979, of American actress Jean Seberg. The immediate reaction of most of the media was that the FBI was responsible for Miss Seberg's suicide because, it was alleged, it had planted a story in 1970 that Miss Seberg's expected baby had really been fathered by a Black Panther leader. According to a *Newsweek* magazine story, which was characteristic of the general press treatment, Miss Seberg was so shocked by the story that she "went into labor immediately and the child was dead at birth." Miss Seberg's

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husband, French writer Romain Gary, was quoted as saying that as a result of the incident, Miss Seberg "became psychotic" and "every year on the anniversary of this stillbirth she has tried to take her own life. . . . Gary said he always believed the child was his and he said the child was white."

According to the *New York Times* of September 15, 1979, "Headquarters granted approval with this caveat: '. . . to insure the success of your plan Bureau feels it would be better to wait approximately two additional months until Seberg's pregnancy would be obvious to everyone.' " The *Times* also quoted the Los Angeles office memorandum as saying "Jean Seberg has been a financial supporter of the BPP and should be neutralized. Her current pregnancy by [Mr. Hewitt] while still married affords an opportunity for such an effort."

No one in the media had requested the entire Jean Seberg file under the Freedom of Information Act, and as matters turned out, it was left to Accuracy in Media (AIM), a Washington-based organization committed to correcting misreporting by the media, to file the FOIA request for the Seberg file. The essential documents in the file, together with a careful analysis, were given to the media at a press conference convened by AIM on August 22, 1980. The file—including tape recordings of conversations between Miss Seberg and Mr. Hewitt—established the following essential facts:

1) Miss Seberg had, in fact, had an affair with Mr. Hewitt, and there appeared to be no doubt in her mind that he was the father of her child.
2) While the FBI Los Angeles office had suggested that the information be used to compromise Miss Seberg, there is absolutely no evidence to indicate that the FBI was responsible for the stories carried by *Newsweek* magazine and the *Los Angeles Times* in 1970. On the contrary, the FBI files show that the Los Angeles office notified Washington on July 28, 1970 that it was dropping the proposal because it had learned that Hewitt's wife was aware of and apparently not upset by his infidelity with Seberg. Both *Newsweek* magazine and Joyce Haber, the *Los Angeles Times* columnist, have categorically denied that they received the information from the FBI.
3) There is absolutely nothing to support the assumption made by the media that Miss Seberg's suicide, nine years after the *Newsweek* and *Los Angeles Times* stories appeared, was the de-

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layed result of the agony she suffered at the time. There is far more reason for assuming that her demise was the result of her erratic life, including numerous love affairs usually tending toward disaster.

In short, when the Seberg file is examined in its entirety, nothing remains of the damaging charge that was leveled against the FBI in the wake of the Seberg suicide. *The Washington Post* itself in an editorial on September 5, 1980, conceded "It was unfair and inaccurate, not to mention totally unnecessary for the purpose of showing the evils of the COINTELPRO operation." But the persistence of these myths is illustrated by the fact that, when Romain Gary himself committed suicide recently, the obituary in *The Washington Post* repeated the allegations and the paper had to print a second retraction.

The Martin Luther King Case

There is a widespread impression—fortified by the fact that it was part of the COINTELPRO report—that the much-publicized actions authorized by J. Edgar Hoover against Martin Luther King were part of the Black Extremist Counterintelligence Program. In fact, only a handful of these actions fell under the COINTELPRO label; the majority of them were the byproducts of a continuing investigation of the communist movement, or else were part of the FBI's continuing effort to identify, determine the extent of, and expose communist infiltration in legitimate organizations. Because of the confusion, however, it might be useful to summarize the essential facts about the King case.

Testifying before the Church Committee on November 19, 1975, Deputy Associate Director James B. Adams said that there were some twenty-five actions directed against Dr. King for which he could "see no statutory basis or no basis of justification. . . ." Despite this admission, there is reason for believing that the initial investigation of Dr. King was motivated by a quite genuine concern over communist influence in the King entourage.

The Church report contains a voluminous section dealing with the matter of Advisors A and B, two men very close to Dr. King who were known to be members of the Communist Party. It is clear from the report that Hoover's concern over this situation was shared by Attorney General Robert Kennedy and Assistant Attorney General Burke Marshall, who headed up the Justice Department's civil rights division. During the course of 1962 and 1963, as the report details, the Justice Department made repeated

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efforts to persuade Dr. King to break off relations with the two advisors in question because of the potential harm it might cause the civil rights movement. These efforts, apparently, made no impact on Dr. King.

Although the Church report did not name them, it is fairly widely known that Advisor A was Stanley Levinson, a New York attorney and businessman, now deceased, and Advisor B was Hunter Pitts O'Dell, a Communist Party organizer, a member of the CP Central Committee, and currently a member of the editorial board of *Freedomways*, a militant publication aimed at black intellectuals.

In June of 1963, Director Hoover wrote the following memorandum reflecting his own frustration and that of Attorney General Robert Kennedy:

> The Attorney General called and advised that he would like to have Assistant Attorney General Burke Marshall talk to Martin Luther King and tell Dr. King he has to get rid of [Advisors A and B], that he should not have any contact with them directly or indirectly.
>
> I pointed out that if Dr. King continues this association, he is going to hurt his own cause as there are more and more Communists trying to take advantage of [the] movement and bigots down South who are against integration are beginning to charge Dr. King is tied in with Communists. I stated I thought Marshall could very definitely say this association is rather widely known and, with things crystalizing [sic] for them now, nothing could be worse than for Dr. King to be associated with it.

Dr. King continued to ignore the Justice Department advice. By the end of 1963, Director Hoover had come to the conclusion that the Bureau should take "such action as is appropriate to neutralize or completely discredit the effectiveness of Martin Luther King, Jr. as a Negro leader." Beginning January 1964, bugs were placed in Dr. King's hotel rooms as he moved around the country in an effort to learn more about his associations with Advisors A and B. The SCLC was also placed under active surveillance. During the course of 1964 a number of efforts were made to discredit Dr. King. The situation finally exploded publicly on November 18, 1964, when Director Hoover told a group of reporters that Dr. King was "the most notorious liar" in the country.

While the public dispute between Dr. King and Director Hoover ostensibly ended with a surprisingly amicable meeting

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which the two men had on December 1, 1964, the Church Committee reported that the FBI activities against Dr. King continued until his death—somewhat reduced in intensity in 1966 and 1967, but again intensified after Dr. King came out against the war in Vietnam in mid-1967.

In the Martin Luther King case, Director Hoover in some instances resorted to tactics that were altogether inappropriate for a law enforcement agency. But, it must be stressed that Director Hoover, a complex man, was a friend rather than an enemy of civil rights and that the White Hate Counterintelligence Program which had been implemented in the years preceding the King affair had actually rendered a great service to the civil rights movement.

The New Left Counterintelligence Program

In October 1968, the FBI set up its fifth counterintelligence program, this one directed against the so-called "New Left." The program may have been triggered in part by the violent and destructive demonstrations on the Columbia University campus. But this was only one incident of many. The origins and purposes of the New Left Counterintelligence Program were described in these terms by FBI Director Kelley in a statement put out on December 7, 1973:

> During these years [late 1960s] there were over 300 arsons or attempted arsons, 14 destructive bombings, 9 persons killed, and almost 600 injured on our college campuses alone. In the school year 1968–69, damage on college campuses exceeded 3 million dollars and in the next year mounted to an excess of 9.5 million.
>
> In this atmosphere of lawlessness in the cities, mobs overturned vehicles, set fires, and damaged public and private property. There were threats to sabotage power plants, to disrupt transportation and communications facilities. Intelligence sources informed the FBI of plans that were discussed to poison public water supplies.
>
> At this time of national crisis the Government would have been derelict in its duty had it not taken measures to protect the fabric of our society. The FBI has the responsibility of investigating allegations of criminal violations and gathering intelligence regarding threats to the country's security. Because of the violent actions of the leadership of the New Left, FBI officials concluded that some additional effort must be made to neutralize and disrupt this revolutionary movement.

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This effort was called the "Counterintelligence Program—New Left" or "COINTELPRO—New Left."

The "New Left" groups coalesced on the issue of the Vietnam war and, indeed, were primarily responsible for the campus violence that characterized the opposition to the war. The largest and best known of the "New Left" organizations, the SDS (Students for a Democratic Society), ultimately splintered in several directions. One of the organizations to emerge from the splintering was the Weather Underground, which for a number of years was the most active terrorist organization in the country, publicly claiming credit for nineteen bombings. Other elements of the SDS and of sundry "New Left" organizations found their way into the pro-Maoist Progressive Labor Party, into the Communist Party Marxist-Leninist, which is pro-Peking, and into the Revolutionary Communist Party, an extremely militant Maoist organization whose heart is with the Gang of Four rather than with the present regime. Other "New Left" organizations were responsible for the violent demonstrations at the Democratic National Convention in Chicago in 1968, and for the "Days of Rage" in Chicago in October of 1969. In collusion with the Castro government, Bernardine Dohrn and other New Left radicals organized the so-called "Venceremos Brigade" which sent hundreds of carefully selected young Americans to Cuba, ostensibly to cut sugar cane, but in actuality for indoctrination and revolutionary training.[2]

The Church Committee report culled from the original directive setting up the "New Left" Counterintelligence Program a list of twelve suggestions for disrupting the "New Left" that could be used by all field offices. The suggested techniques included instigating "personal conflicts or animosities" between New Left leaders; creating the impression that leaders are "informants for the Bureau or other law enforcement agencies"; having members arrested on marijuana charges; sending anonymous letters about a student's activities to parents, neighbors, and the parent's employers ("This could have the effect of forcing the parents to take action"); using "friendly news media" and law enforcement officials to disrupt New Left coffeehouses near military bases which were

2. For documentation dealing with the ties between the Castro government, the Weatherman movement, and the Venceremos Brigade, see "Extent of Subversion in the New Left," Senate Subcommittee on Internal Security, June 10, 1970; "The Cuban Connection in Puerto Rico: Castro's hand in Puerto Rican and U.S. Terrorism," Senate Subcommittee on Internal Security, July 30, 1975; Testimony by Larry Grathwohl, "Inside the Weatherman Movement," Senate Subcommittee on Internal Security, October 18, 1974.

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attempting to "influence members of the Armed Forces"; and using "misinformation" to "confuse and disrupt" New Left activities, for example, by notifying members that events have been cancelled.

A few of the proposals were open to challenge on the grounds that they constituted personal harassment. By far the majority of the proposals, however, were standard counterintelligence techniques for weakening and disrupting organizations which pose a danger to domestic tranquility or national security. FBI officials argue that all of the information disseminated pursuant to these suggestions was intrinsically truthful and that the degree of threat certainly gave some justification to extraordinary measures.

Matters were not helped when the FBI was given the exclusive responsibility for deciding which organizations merited targeting under their New Left Counterintelligence Program. If such a program should ever again be instituted, the basic guidelines will have to be established by higher authority after careful investigation. But this authority would have to include some people who are broadly knowledgeable about extremist activities of all kinds.

Domestic Counterintelligence: To Be or Not To Be

Domestic counterintelligence programs such as those undertaken by the FBI during the 1950s and 1960s may not appear to be a matter of urgency during the present period of relative domestic tranquility. But if domestic terrorism should develop on the Italian or German models, or if America should again get caught up in the kind of turmoil and violence that characterized the late 1960s, we may discover that simple law enforcement against each crime as it occurs is just not enough. We may then have to examine whether it is right to seek to expose and disrupt organizations that pose a threat to society in addition to gathering intelligence about them. Unquestionably such a program does lend itself to abuse—but with effective oversight by the Department of Justice, abuses can be avoided or at least kept to a minimum.

But is the FBI, as a law enforcement agency, the appropriate organization to engage in domestic counterintelligence activity? Counterintelligence is most effective when it is geared to the gathering of intelligence. If the FBI has the latter function, it should also logically have the former. And if the FBI is not given responsibility for counterintelligence activities, there is simply no other domestic agency available for the assignment.

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Then there is the question of basic guidelines. There was once an Attorney General's List of Subversive Organizations, but this became outdated and fell into disuse many years ago. The Subversive Activities Control Board, which went out of existence in 1973, was also handicapped because its Charter confined it narrowly to the Communist Party and its front organizations. It could not concern itself with the scores of revolutionary and violent organizations of both the Far Right and Far Left which proliferated in the 1960s. Clearly an agency must be established, preferably within the Department of Justice, with the responsibility for formulating approved guidelines for our domestic law enforcement agencies.

The report of the Church Committee made no concession to the employment of activist counterintelligence tactics in dealing with domestic extremists and subversives. But the matter looks somewhat different if one believes that communist totalitarianism gravely threatens American national interests and freedom in general, or, in the case of the Klan and Nazi organizations, that their activities pose a serious danger to national unity and to the lives of innocent citizens.

It is, of course, a troubling thought that activities such as the FBI's Counterintelligence Program involve actions not specifically sanctioned by law. The basic ethical problem is not a new one. Writing in 1810 to J. B. Colvin, Thomas Jefferson addressed the problem in these terms:

> A strict observance of the written laws is doubtless one of the high duties of a good citizen, but it is not the highest. The laws of necessity, of self-preservation, of saving our country when in danger, are of a higher obligation... To lose our country by a strict adherence to the written law, would be to lose the law itself, with life, liberty, property, and all those who are enjoying them with us; thus absurdly sacrificing the end to the means.

A substantial majority of Americans would, with Jefferson, endorse the proposition that, when the issue is national survival or when one is dealing with hostile intelligence activities, it is morally acceptable to employ exceptional law enforcement measures—to infiltrate the enemy, to mislead and confuse the enemy through disinformation, to weaken the enemy by sowing division in his ranks, and, in general, to reduce the threat to national security by a variety of stratagems, including the primary weapon of exposure.

Is that not what COINTELPRO was all about?

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Ill Fares the Welfare State

MELVYN B. KRAUSS

What has gone wrong with the European welfare state? For more than two decades after the Second World War, the welfare state's apparent ability to combine superior economic performance with extensive social welfare programs made it a model for the world to follow. Then, apparently without warning, the welfare state economies went from riches to rags in the 1970s. The malevolent trio of low savings, declining productivity, and slow growth teamed up with high inflation to disable the welfare economies. Some, like Norway and Holland, have been temporarily rescued by North Sea oil. But others—like Sweden—have not been so fortunate.

Three factors are responsible for the present economic malaise in the European welfare state. First, the 1970s have been the decade of egalitarian policies. But the failure to produce a new "social solidaric" citizen has meant that the egalitarian policies have had counterproductive results. Second, the trend toward extending political rights into the economic arena has damaged the economic growth of the welfare economies. Finally, the extraordinary increase in the 1970s of the "wage gap"—the difference between what business firms pay for labor and what workers actually receive—has resulted in a reallocation of the welfare economy's labor resources from the more productive private sector to less productive public domain.

Social Solidarity

The essential failure of the European welfare state has been its inability to produce a new "social solidaric" citizen. In Sweden, for example, the social democrats have made an extraordinary effort to create "egalitarian man." The "reform" of Swedish formal education in the 1960s is described by Roland Huntford in *The New Totalitarians:*

> The new school rejects individuality, and teaches children to collaborate with others. It rejects competition, and teaches cooperation. Children are taught to work in groups. They solve problems together; not alone. The basic idea is that they

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are considered members of society, and individuality is discouraged.[1]

There is considerable evidence that the northern European welfare state's effort to create the "social solidaric" citizen—insensitive to individual incentives—has failed. The most convincing is the extraordinary growth of the "underground" or "black market" economy. If the welfare state citizens were really social solidaric, they would not run to the underground economy to evade egalitarian policies; they would gladly submit to them.

The use of the public sector for private gain, in particular, is evidence that ordinary welfare state citizens have resisted the new identity planned for them by egalitarian ideologies and social engineers. It is well known that increases in public spending cannot be stopped in the welfare state. Less well known is the motive for such increases. It may not be a collective mentality that accounts for constant rises in public spending, but rather a private one. The idea is to vote for public spending programs that satisfy one's private interest, then pass the cost of these expenditures on to one's neighbor by evading taxes in the black market. The growth of public spending and the black market go hand in hand. Combined, they are the way welfare state citizens pick each other's pockets.

Not only have egalitarian ideologies failed to create a new "social solidaric" citizen, but there is evidence that young welfare-staters today are more individualistic—more responsive to economic incentives—than older ones. Absentee rates in factories, for example, are much higher for younger than for older workers. The young "take advantage" of lenient welfare state sick-leave policies; the old do not, as a rule. It is ironic that the older generations, brought up in a more competitive market-oriented society, have proved less responsive to economic incentives than the younger generation, educated in "social democratic" schools and subject to a constant barrage of egalitarian propaganda.

The welfare state's failure to desensitize its citizens to individual economic incentives, at a time when social democratic ideologies have ruthlessly pushed through their egalitarian policies, has had two major consequences. First, the economic base of the welfare society has suffered greatly. Second, the welfare state has become demoralized.

The result of a tax-subsidy structure that attempts to equalize

1. Roland Huntford, *The New Totalitarians* (New York: Stein and Day, 1972), p. 210.

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net incomes (after taxes are taken out and subsidies added to earned incomes), and a "solidaric wage" policy that equalizes the wages for skilled and nonskilled workers, has been that citizens work less; they make otherwise irrational investment decisions; they switch labor from high-productivity to low-productivity uses by do-it-yourself; they fail to develop skills; and they use tax-evading barter instead of more efficient methods of exchange. Naturally, these consequences contract the economic base of the welfare economy.[2]

Furthermore, and perhaps more importantly, a society that does not practice what it preaches is bound to become demoralized. Egalitarianism is preached in the welfare state, but not practiced. The hypocrisy of the welfare state would be greatly reduced if policies were adjusted to the true character and desires of the people, rather than trying to adjust the people to the policies. Like the Communists in Eastern Europe and China, and Nazis in Germany, the social democrats in Northern Europe have tried to create a "new man" and failed. The sooner the social democrats come to terms with this fundamental truth, the faster the crisis in the welfare state will be resolved.

Economic Rights

A second factor responsible for the European welfare state crisis is the extension of political rights into the economic arena. Citizens of the European welfare state today believe they *all* have a right, not only to free speech, press and assembly, but to a job, in the industry of their choice, at the geographic location of their choice, and at an income that permits politically determined minimum consumption standards. Equal political and economic rights go hand in hand in the welfare state.

To secure citizens their "economic rights," government often must subsidize both labor and capital in low-productivity uses. Subsidies to inefficient private firms constituted an increasing portion of public expenditure in the welfare states during the 1970s. Such subsidies negate the ability of the marketplace to allocate resources efficiently. One cost of workers' rights, therefore, is an inefficient allocation of resources.

In explaining the break in welfare state economic performance from the 1960s to the 1970s, it is important to realize that the trend

2. Melvyn B. Krauss, "The Swedish Tax Revolt," *The Wall Street Journal*, (February 1, 1979).

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of the past decade—of having government bring work to the workers—represented a complete reversal of previous welfare state economic policies. In Sweden, for example, the Rehn-Meidner policy favored by the Social Democratic Party until the 1970s was for government to facilitate the movement of labor and capital from low-to high-productivity uses. These two trade union economists understood the importance of labor mobility (if not the efficacy of the unencumbered marketplace to provide it) in sustaining the economic base upon which the welfare economy depends.

Of course, once workers realize that government will guarantee their jobs by subsidy, all incentives to increase productivity and restrain wage demands disappear. The willingness of government to save jobs *creates* the need to do so. Governments can tie all the productivity and wage restrictions they want to their aid packages; workers and management will flout these restrictions if they know that government will relent once the crunch comes.

Economic rights also put the welfare state in direct conflict with less-developed countries (LDCs). When the old in the welfare state will not make way for the new from the Third World, LDC exports suffer. Thus, subsidies to inefficient industries to secure "workers' rights" not only damage the economic base of the welfare economy, but damage the LDCs as well. This puts the welfare states—which have championed Third World interests—in an extremely embarrassing position. What they give in foreign aid to the poorer nations, they take back through foreign trade. The European social democrats may not be hypocrites in their desire to help the Third World, but their economic and social system has betrayed them.[3]

The "Wage Gap"

If there were no taxes and social security charges, the wage received by the worker, for his own consumption and savings, would be equal to the cost of the wage to the firm employing the worker. But firms must pay social security charges and payroll taxes on workers' services. These create a gap between the disposable wage which workers receive and the cost of that disposable wage to the firm. This gap can be called the "wage gap."

The wage gap is not limited to social security charges and payroll taxes; income taxes and sales taxes are also involved. Although

3. Melvyn B. Krauss, "Social Democracies and Foreign Aid," *The Wall Street Journal* (September 12, 1979).

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legally workers are responsible for their personal income taxes, the economic burden of the income tax increasingly has been shifted onto the firm, because the powerful trade unions bargain for *net-of-tax* wages. Thus, labor has been made artificially expensive for the firm. The "wage gap" in the European welfare states is extraordinarily high. Precise measurements are not available, but some imprecise ones performed in Sweden by the Swedish Employers Confederation (SAF) give a clue as to the possible extent of this gap in the welfare state.

In 1978, it was estimated that the marginal hourly disposable wage (net of taxes) for a white-collar worker in Sweden was 14 Swedish crowns per hour. The cost of this 14-Swedish-crown wage *to the firm* was 68 Swedish crowns per hour. The difference—the wage gap of 54 crowns—went to the government in the form of taxes of one sort or another. This means that Swedish firms must pay five crowns for Swedish workers to increase their disposable wage by one crown. No wonder the black market for labor services to evade these taxes flourishes in the welfare state!

The substantial increase in welfare-state taxes during the 1970s has meant a substantial increase in the wage gap. This has affected the economy in essentially two ways: by an "income transfer" effect and by an "incentive effect."

The increase in the wage gap in the 1970s promoted an income transfer from business profits to government. Because of the different ways the funds are used—by private business firms on the one hand and the government on the other—the income transfer effect has reduced private investment and is responsible for the fall in worker productivity in the past decade. Instead of being used to enhance labor productivity, business profits have gone to government, where they have been spent on day-care centers and subsidies to inefficient firms. An important reason for the economic problems of the European welfare state in the 1970s therefore has been that funds which should have been used for private investment to enhance labor productivity have gone instead for public consumption and programs that subsidize labor in low-productivity uses.

The increase in the wage gap also has an incentive effect, making labor services *artificially* expensive to business firms. This has reduced overall productivity in two ways. First, it has reduced the demand for labor in the private sector. Given the government's full employment commitment, this means that the displaced workers get government jobs even though government may have no

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useful work for these people to do. Unemployment in the welfare state is hidden, just as is the underground economy. But hiding unemployment does not make it costless; it simply changes the form in which the costs manifest themselves. Instead of idle workers at home, there are useless workers on the job.

Since marginal productivity is higher in the private by comparison with the public sector, the reallocation of labor from the private to the public sectors reduces overall productivity in the economy. Government taxes create government employment to the economy's detriment.

Second, the artificial increase in the price of labor to firms has meant that most technical progress in the welfare state tends to be of the labor-saving variety (by comparison with neutral or capital-saving technical progress). Labor-saving progress not only depersonalizes everyday economic life (in that instead of men and women one meets machines at the gas stations and newsstands,) but also creates unemployment in the private sector. Of course, the men replaced by machines are absorbed in the public sector. Thus, for any given rate of technical progress, the wage gap causes that technical advance to be more labor-saving, the reallocation of labor from the private to the public sectors to be greater, and the increase in overall labor productivity to be less than otherwise would be the case.

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Rethinking the Unthinkable

SAMUEL T. COHEN

Just two weeks after the Reagan administration came into office, a second neutron bomb debate suddenly erupted. Thus far, it has borne striking similarity to the debate which began in June 1977, and it has ended in essentially the same way—namely, another U.S. decision to postpone the deployment of enhanced radiation weapons (ERW) in Europe.

At first contemplation, the decision not to decide on deployment seems to be reasonable enough as well as politically expeditious. The neutron warheads would be produced and stockpiled in the U.S., and therefore, at least be available for incorporation in the missiles when the need arose. Were European governments, which are currently resisting ERW deployment (in particular West Germany) to relent at a later time, they could then be deployed. Or if a prolonged crisis arose, of sufficient severity to break down NATO European resistance, there would be ample time to fly the warheads over to the location of the delivery units. Or, if a war were to begin with a surprise nuclear attack on NATO's nuclear weapon facilities (the stated first-priority Soviet target system), a decision not to deploy the weapons during peacetime could prove to be perversely fortuitous. NATO's battlefield nuclear warheads are stored in only a limited number of stockpile sites (fewer than 100) which, in all probability, would be destroyed. In this case, the U.S. could have the dubious advantage of not having the neutron warheads destroyed along with the warheads stockpiled in Europe.

However, the case for storage of the components in the United States may be less convincing. For in yielding to European domestic political problems, the U.S. may also have yielded too far in not asserting what its commitment to NATO is all about—the military *defense* of Europe. The U.S. also may have yielded too far on another, more fundamental commitment—the security of its own combat forces in Europe.

Beginning in 1961, with the Kennedy administration, a new defense policy was established which, in effect, ruled against achiev-

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ing discriminate tactical nuclear capabilities, such as ERW for NATO. (The use of tactical nuclear weapons in other areas, e.g., Northeast Asia, effectively was rejected irrespective of weapon characteristics. For these areas, it was assumed that conventional defense was feasible and overwhelmingly preferable to nuclear defense.) In fact, in 1963, when a very successfully tested ER warhead was proposed for Army battlefield missiles, the Kennedy administration openly argued against such production. Although there have been changes in official rhetoric affecting ERW since that time, including Secretary of Defense Weinberger's positive remarks early this year, for all intents and purposes this U.S. policy attitude has persisted.

Moreover, because of NATO's basic policy governing the employment of nuclear weapons—the so-called Flexible Response policy—it has been extremely difficult to convince European political leaders that ERW should be incorporated into NATO's battlefield nuclear arsenal.

Flexible Response

There is no room here to debate the efficacy and credibility of NATO's Flexible Response policy, which conceptually is now more than twenty years old. It will be briefly summarized, however, as it relates to nuclear weapons policy and the role of ERW in this policy context will be examined. Flexible Response assumes, for planning purposes, a war scenario something like this:

1. After extensive preparation, giving NATO ample time to prepare its defenses, the Soviet/Warsaw Pact armies invade Western Europe with conventional forces. (No nuclear weapons are employed by the Soviets.) In this initial phase of the war, NATO will defend only by conventional means.
2. If NATO's conventional defenses fail and deep enemy penetrations into West Germany seem imminent and unavoidable, battlefield nuclear weapons now come into play to prevent such incursion and the overrunning of NATO forces. (It is assumed here that the Soviets still will not employ their own nuclear weapons.) This will involve some number of these weapons, ranging from tens to perhaps a couple of hundred, used against the forward enemy armored echelons to neutralize these forces and bring the attack to a halt. Whereupon, it is expected that the Soviets will choose to end hostilities and move to the conference table.
3. If this tactical nuclear gambit does not succeed in bringing

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> hostilities to a halt and the Soviets persist, then, in accordance with its long-standing pledges, the U.S. will broaden the war to include nuclear attacks against the Soviet Union itself. The expectation is that such drastic reprisal will bring Soviet aggression to an end, if indeed the threat of such action hasn't already succeeded in this purpose.

It is in this second phase that ERW comes into the perspective of official thinking. The U.S. government has maintained that using ERW in this battlefield role—in the context of the Flexible Response scenario just described—will enable highly effective attacks to be made against forward enemy armored echelons, while at the same time significantly abating the danger to friendly defending troops and substantially reducing the extent of civil damage in West Germany. On this basis, ERW would seem distinctly preferable to the currently-stockpiled battlefield nuclear weapons. Former President Jimmy Carter made this preference very clear, when he argued for ERW in 1977:

> It must be recognized that NATO is a defensive alliance which might have to fight on its own territory. An aggressor would be faced with uncertainty as to whether NATO would use nuclear weapons against its forward echelons. For these purposes, the capability for discrete application of force—which the ER weapons may provide—present (at least in this sense) an attractive option....
>
> The ER weapons, then, would be designed to enhance deterrence, but if deterrence fails, to satisfy dual criteria:
>
> —First, to enhance NATO's capability to inflict significant military damage on the aggressor.
>
> —Second, to minimize damage and casualties to individuals not in the immediate target area, including friendly troops and civilians.[1]

Despite these advantages, NATO Europeans, most importantly the West Germans, have made it clear that they do not want these weapons deployed on their soil. No matter that the battlefield fission warheads they long have accepted (and will again accept with the new fission warheads—devoid of neutron components) will neutralize Pact armies through prompt nuclear radiation effects just as ERW do; for domestic political reasons—totally lacking in technical and military logic—ERW are rejected.

However, there is a U.S. side to this problem, with its own do-

1. Letter from President Jimmy Carter to Senator John Stennis, July 11, 1977

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mestic political considerations, which complicates the issue. The territory West Germany wants to spare from nuclear weapon employment also happens to be occupied by almost 200,000 troops that the United States has provided to help protect Europe.

The President may feel obliged by Treaty to help protect NATO Europe by keeping U.S. troops in Germany to honor Alliance commitments, and, for the sake of Alliance harmony, to cater to European political sensitivities. At the same time, however, he also is obliged to protect these American forces with the best possible military means to prevent their defeat and capture in the event of war. Thus, if ERW are perceived to represent a means of accomplishing this objective,[2] then from an American standpoint, in all due deference to European opinion, the President should want to have them deployed at least by U.S. forces in Germany.

Euromissiles

But a higher priority is apparently placed on installing so-called Euromissiles (ground launched cruise missiles and Pershing-II ballistic missiles) in Europe. It should be realized however, that in the context of NATO's preferred war scenario described above, the use of such weapons would have little direct military effect on stopping the Soviet/Warsaw Pact armored forces. It is possible that, by striking targets in eastern Europe and western Russia, they might have a beneficial effect in the event that the war were to be prolonged. But by themselves they would hardly represent a nuclear means to prevent NATO ground forces from being overrun on the battlefield. They represent rather an escalation toward general nuclear war in the event that battlefield nuclear weapons fail in their intended purpose.

These missiles properly belong to the third phase of Flexible Response in which the United States invokes its strategic nuclear pledges to NATO. In this respect, they represent an intra-war deterrent threat following a military disaster to U.S.-NATO ground forces. But the actual employment could bring disaster to the U.S. itself if the Soviets were to respond to Euromissiles by directly attacking the United States.

2. This seems to be the Administration's view: "When you look at the number of Russian tanks and the other items, the enhanced radiation warhead could do quite a lot to restore some kind of balance there." Caspar Weinberger, Interview, February 11, 1981.

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Defense of NATO Europe

At least symbolically, the current revival of the ERW issue represents a fundamental conflict of belief between Europe and America over Europe's defense. Is NATO Europe seriously willing to defend itself against ground invasion, or does it prefer to use the strategic nuclear guarantees of the United States as a reason (or rationalization, as many see it) to avoid establishing a credible ground defense? Will the Alliance choose to continue a defense policy (and its corresponding military capabilities) which is decreasing in credibility—as the Soviet conventional and nuclear forces continue to increase and exceed those of the West? Or will the Alliance change course toward a more realistic solution?

While the United States may continue to feel obliged to perpetuate the NATO Alliance, it also has fundamental obligations to itself. These may have been neglected for too long in a period when expanded Soviet ground and strategic threats have placed both U.S. forces in Europe and the U.S. itself in increasing jeopardy. From an American standpoint, the idea of bowing to European resistance to deployment of a weapon, whose use might save American ground forces from defeat, may not be too acceptable. More important, for the U.S. to have gained European acceptance for Euromissiles at the expense of a credible battlefield nuclear capability (whose employment might forestall or even prevent the escalation of war to strategic nuclear proportions) may be even less acceptable to Americans once it is fully understood.

Underlying this difficulty is the inherent difficulty of selecting a credible scenario for possible NATO/Warsaw Pact conflict. How such a conflict might begin and progress is almost anyone's guess (although some guesses are more logically founded than others.) But, whatever the unfolding scenario turns out to be, what is essential is that the United States take every measure during peacetime to ensure maximum military capabilities for its own forces in Europe should war come. If ERW represent the best nuclear weapons for battlefield defense, as the Defense Department has maintained, these weapons should enter the European inventory for U.S. use at least.

The principle of forward deployment of battlefield nuclear weapons long has been established by NATO—witness the thousands of such weapons now positioned in Europe. Yet, there has been a haggling over the alleged price that must be paid to gain European acceptance. The U.S. has apparently decided that the price is too high in terms of threatening Alliance solidarity. But in so

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doing, it may have paid another price: risking the security of its own forces in Europe and the survival of America itself.

ERW and South Korea

It is strange that, in both recent neutron bomb debates, the United States has argued with allies who plainly preferred not to see ERW deployed on their soil, while apparently paying no attention to allies who might have been greatly appreciative of such deployment and in need of weapons to keep their territory from being devastated by war. Why has the Reagan administration not moved toward discussions with South Korea on ERW deployment to this Asian ally? Considering the low ebb that U.S.-South Korean relations reached during the Carter administration, it is understandable that no such move was made. But one of the first foreign policy steps taken by the new administration was to reaffirm the U.S. commitment to South Korea. Why had ERW not been considered as part of this commitment?

Contrary to the claim made by the Carter administration that ERW were designed solely for European deployment, the truth of the matter is that the original neutron bomb concept was formulated in 1958 primarily with Asian limited war scenarios in mind. For the Korean War and all its frustrations was fresh in everyone's minds.

Today, moreover, there are good reasons for using ERW to defend South Korea:

First, the U.S. has sizeable military forces in South Korea—about 40,000 troops. (Very recently, President Reagan pledged to keep these forces there.) If the U.S. has a requirement to best protect American troops in Europe the same surely holds true in Korea.

Second, contrary to European repugnance for ERW, the South Koreans would almost certainly welcome its deployment on their soil. Augmenting Korea's defense with ERW—the alleged battlefield "super weapons"—could substantially strengthen an alliance which has seen considerable tension and divisiveness in recent years.

Third, the introduction of these weapons by the U.S. would, without doubt, greatly enhance the deterrence of aggression by the North.

Fourth, should deterrence fail and, as happened in 1950, war occur, Seoul, which is only twenty-five miles below the DMZ and

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a vital economic and political artery for South Korea, may again become a major battleground. Were ERW available for Seoul's defense, the almost total devastation of the first Korean War could be avoided.

If, indeed, the issue of ERW deployment has not been broached to the South Koreans, then one might again ask: Why not? Surely, the U.S. ought to prefer to conduct its nuclear diplomacy with allies and friends who are more sympathetic to U.S. military objectives for their defense. Or is it that the U.S. still prefers to provide battlefield nuclear defense for allies who don't want it?

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An American Foreign Legion?

ERNEST VAN DEN HAAG

It is generally agreed that American strategic superiority to the Soviet Union—were it achieved—would not suffice to deter or defend against Soviet attacks on comparatively remote or minor targets of interest to the United States. Strategic superiority would help us little in Angola, or Yemen, since we won't start a nuclear war for their sake and nobody will believe that we are likely to.

Yet, the Soviet Union will attempt to weaken our defenses by overthrowing the governments of Third World nations, or conquering them, so as to produce regimes friendly to Soviet aims, which may provide military bases, or military forces hostile to the U.S. (e.g., Afghanistan). These military forces then can be used as proxies to attack still other nations friendly to the United States. New Soviet satellites are thus produced in part by domestic-political means, partially (e.g., in Ethiopia) by using Soviet conventional forces, or with the military help of other Soviet satellites (e.g., those of Cuba). In all these activities the availability of Soviet or Soviet allied conventional forces plays a major role as does the unavailability of American conventional forces. Any conflict other than a world con- flagration, be it in Europe, Africa, the Near East or in the Persian Gulf area, is likely to be fought by conventional, non-nuclear forces. It is easy to conceive of scenarios about Yugoslavia, or Norway, or Berlin, let alone Iran, or the Far East.

Our conventional forces are inferior by far to those of the Soviet Union. They would remain inferior even with a draft. And if draftees were available, it is politically unlikely that we would readily send them to defend a pro-American regime in, say, Africa. Nor do we have proxies, such as the Cubans to help support faltering friendly regimes.

U.S. Conventional Forces

There are several ways of meeting the problem just outlined. We could beef up our conventional forces. Although this is highly desirable it would be unrealistic to believe that we can do so to a degree sufficient to discourage adventures by the Soviet Union and its proxies in Africa, the Persian Gulf area, or even in South

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and Central America. Under the best of circumstances an army career is unlikely to appeal in peacetime to the most effective persons in the U.S. Military careers are neither prestigious nor financially rewarding in comparative terms. (Lately the average IQ of army personnel has sunk significantly below that of the civilian labor force.) Careers in the civilian economy will remain more attractive. However, in the Soviet Union and its satellites, civilian careers tend to be less attractive and military careers more prestigious. Similarly in the U.S., careers in defense production are less attractive than careers in industries producing for the civilian market. In the Soviet Union the reverse is true. Hence Soviet defense forces are likely to attract the more ambitious or capable Soviet citizens whereas our defense forces are likely to attract the less capable and ambitious. Moreover, we are unlikely to resort to the draft in peacetime, whereas it is accepted in all Communist countries.

Thus our conventional forces cannot in the foreseeable future equal the Soviet forces in quality or quantity and we cannot significantly reduce Soviet superiority in conventional forces by efforts to increase ours.

Allied Conventional Forces

To be sure our allies could help solve the problem if they were willing to do what is needed. Western Europe has more manpower and more economic resources than the Soviet Union. Japan is by itself economically stronger than the Soviet Union. Finally, China, however underdeveloped, has one billion inhabitants. But it is unlikely that any of these facts can be utilized in the near future to achieve equality, let alone superiority, to Soviet conventional forces. China, at best, is a long-run proposition and, though anti-Soviet, is not an ally of ours. (Anyway, China can be only of limited help for a long time to come.) Japan is unwilling to greatly increase its contribution, and so is western Europe.

This unwillingness is not altered by a change in government. It is widespread in the population. A government which would significantly increase expenditures on defense would lose popular support. To a large extent we are ourselves to blame for this situation. We have, for many years, cultivated the wrongheaded idea that we are able and willing to take care of the defense needs of our allies, and that our nuclear capacity could be used to defend them. Only France has repudiated this odd notion—wherefore it stays relatively well armed. Most of our other friends do not rea-

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lize—since it is politically inconvenient to realize—that we are overextended, and that they have to rearm if they wish to contain the Soviet forces. They will not realize as much until we significantly reduce our forces in Europe and Asia, signaling that, except for help in nuclear war, our allies are on their own, or at least, have to bear the burden of their own defense. It is unlikely that any American government will have the courage to give this signal by these means in the near future. (And, of course, it is hazardous to give this signal though less so than not giving it.)

We are likely to confine ourselves to nagging, which has not been very effective in the past. Certainly the Secretary of State, a former NATO commander, is not inclined to reduce our forces in Europe significantly. Nor is the Reagan administration likely to withdraw our forces from Japan or Korea. Thus, at best, our allies are likely to rearm at a glacial pace. But even if rearmament were accelerated, West German or Japanese troops are unlikely to be available to fight in Yemen, whereas East German troops, or North Korean troops, might be. Europeans and Japanese are scarcely willing to protect their sources of oil in the Persian Gulf—although quite willing to permit us to. Yet they get nearly all their oil from the Persian Gulf, whereas we get a much smaller proportion. But by now, owing to the strange policies we pursued in the past, European governments expect us to bear the burden of their defense. So do the Japanese, who get practically all their oil from the Persian Gulf.

In short, neither we, nor our allies, are likely to have the forces available to counter the many direct and indirect attempts at expansion that the Soviet Union is sure to make, without running the risk of nuclear war. At present we can do little about it. Is there anything that realistically could be done?

An American Foreign Legion

There are literally millions of able-bodied and willing men in the free world who would be delighted to train and fight for the U.S.—if we let them. If we paid them as well as we pay American soldiers, far more would make themselves available than we can use.

Should we hire such "mercenaries"? It has been done throughout history. The most recent example, of course, is the French Foreign Legion. Before considering how to go about it, let me deal with some of the most popular objections:

1) *It is in principle a bad idea. We should be able to take care of our own*

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defense. But we aren't, at least not on the worldwide basis required. And, as I believe I have just shown, we are unlikely to have sufficient forces available in the foreseeable future. Moreover, it is not proposed to replace our forces by a foreign legion, but to supplement them—to supplement them to do just those things our forces are not able or likely to do. For, even if able, we are not really willing to fight minor wars far from our shores—although, if we don't, the Soviet Union will be able to expand its power dangerously at our expense.

I wonder about the anit-mercenary principle. Suppose we could fight all our wars with paid foreign volunteers, mercenaries if you wish. This is an unrealistic notion, but suppose it were feasible for a moment. Principle or not, I'd be delighted. I'd rather spend American money than American blood. It can't be done (the French didn't manage to do it either)—but if it could be done, what's so wrong with it? And what is wrong with supplementing our forces? If it is respectable to have allies with troops to help us, why is it not respectable to hire such troops directly?

2) *A foreign legion won't be effective.*

3) *It may turn against us.*

A look at the French Foreign Legion and its history should refute both these fears, as completely as fears ever can be refuted. Of course, we may mess up when the French did not. But why assume that we are incompetent in principle?

4) *We may be tempted to use the legion too often.* I have more confidence than that in the Congress and the President—and in the American people who have to ratify their decisions. Anyway, appropriate statutory restrictions could be made part of the legislation needed to establish a foreign legion.

5) *A foreign legion will be too expensive.* But, obviously, if the pay is the same, foreign soldiers cannot cost more than the equivalent number of American soldiers—soldiers we now cannot get for love or money. (Of course if we greatly increased pay, we may get more and better American soldiers. It is unlikely that we will. And they still could not easily be used abroad—unlike the non-American soldiers available for less money.)

How could an American Foreign Legion be organized? Basically, as the rest of the armed forces are, with the following additional provisos.

All officers should be American citizens, career officers who

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have volunteered for the assignment, and are specially selected for their leadership qualities. Soldiers can be from any nationality including American. They may apply for citizenship under the same conditions as aliens residing in the U.S., except that the service will be equivalent to residence, wherever they serve. Soldiers with exceptional records recognized by decorations can be granted citizenship after a minimum of three years. Soldiers with bad records will have citizenship applications delayed or rejected. Dishonorable discharge should make citizenship unavailable. Non-Americans can be promoted to non-commissioned officers. The minimum service time for soldiers should be seven years, with a premium for renewal.

The American Foreign Legion, starting with a small number, perhaps 10,000 men, should be slowly built up until it reaches 200,000. It should ultimately have independent court systems empowered to impose penalties, with appeals beyond the courts of the legion itself, only to the Secretary of Defense. (Appeals to American non-legion courts should be excluded.) There should be independent pension systems, uniforms, and everything else likely to foster an appropriate *esprit de corps*.

It would be pointless to elaborate further. The important decision is political. We have switched from a drafted to a volunteer army. Unless we want to return to the draft—and perhaps even if we do—we must now accept foreign volunteers and organize them in a special unit. Are the American people and their representatives capable of grasping the problem and accepting the solution? Even with a draft American soldiers are not likely to be available where they are needed. I believe a foreign legion would solve the problem well. No other solution is realistically available.

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JOURNAL OF LABOR RESEARCH

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Tales from the Public Sector

Humor in Handcuffs

The citizens of the socialist countries of eastern Europe are the world's greatest connoisseurs of Tales from the Public Sector. In the absence of an independent press, of any untrammeled organized opposition party or of free and objective social investigation, anecdotes based on personal experience are the key source of people's everyday knowledge of the nature of socialism. It is through the telling and re-telling by word of mouth of anecdotes based on true incidents that people become aware of the full extent of bureaucratic bungling, economic inefficiency, ideological idiocy, and political oppression in a socialist society. Furthermore, in a society that is all public sector, such anecdotes are not merely cautionary tales about the failings of particular institutions but statements about the essential nature of their social order. Perhaps it is for this reason that the peoples of eastern Europe have also become so skilled at devising "master tales" about their public sector. These master tales extract the crucial implicit messages from the thousands of particular tales in circulation and re-express them in a highly compressed and witty fashion. In this way the anonymous satirists of eastern Europe have learned to express the unhappy predicament of their people through a highly developed genre of political jokes, which can express the fate of an entire society in as little as a single line. Yet when we laugh at these jokes we should remember that for those who tell them they are as much a vehicle for truth as for mirth.

A Soviet economist visited France and told the French Economic Minister, "Your economy is in a terrible state. I have never seen such poverty." "What do you mean?" replied the Frenchman, "The shops are full of all kinds of goods and produce." "But," replied the Russian, "no one can afford to buy them. During the whole of my visit to France I haven't seen one single queue."

When will the Cubans know that they have achieved the same level of socialist development as the Soviet Union? When they start importing sugar.

What is three miles long and eats potatoes? A Polish meat queue.

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Soviet economist: "The reason why Canada and the United States supply the Soviet Union with so much grain is due to the catastrophic over-production of capitalism."

What do the American and Polish economies have in common? In neither country can you buy anything with zloties. (The zloty is the Polish unit of currency.)

A Polish economist has defined the difference between capitalism and socialism as follows: under capitalism you get rigid discipline in production and chaos in consumption. Under socialist economic planning you get rigid discipline in consumption and chaos in production.

At the May Day parade in Moscow, Brezhnev and the other party bosses watched as usual the long destructive parade of Soviet military power—tanks, missiles, guns, and so on. At the end of the parade was a little truck with three dingy elderly men sitting in it. Brezhnev turned to one of his generals and asked, "What on earth are they doing in the parade?" The general replied, "Those are our economists. You have no idea the destructive power that they possess."

Stalin, Khrushchev, and Brezhnev were travelling in a train when it ground to a halt in the middle of nowhere. "Leave this to me," said Stalin as he left the compartment and went to the front of the train. A few minutes later he returned and told the others, "I have shot the engine driver." The train naturally refused to start and a few hours later Khrushchev strolled down to the front of the train. On his return he said confidently, "Everything's under control now. I've had the engine driver rehabilitated." The train remained stationary. Brezhnev now got to his feet and pulled down the blinds on the window, "There," he said confidently, "now the train is moving."

The insightful mockery with which eastern Europeans so accurately and succinctly attack the socialist economic structure of their society is applied with equal force and parsimony to its political and ideological superstructure. Here again is the biting truth about the political face of socialism:

The Soviet Union has a two-party system. One party is in power and the other is in jail.

Can there be an opposition party in the Soviet Union? No, because if one were allowed everyone would join it and there would still only be one party.

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A Russian went to work in the Soviet embassy in London. A week later he telephoned the British Foreign Office and said, "I would like to go to Manchester."
"I don't understand the problem."
"I would like a travel permit to go there."
"You don't need a travel permit. Just get on the train."
"But I want to go by car."
"Well then get in your car and drive up the motorway."
"But what about petrol? I haven't any petrol coupons."
"You don't need any. Any service station will sell you all the petrol you need."
"What an impossible country," gasped the Russian to himself, "what total anarchy."

The political and economic muddle and oppression of socialism only survives because of the preponderant military might of the Soviet army and police. Yet even the vast unpleasant fact of Russian hegemony is compressed into tiny devastating master comments by those most heavily oppressed by it.

Polish description of trade with the U.S.S.R.: "We export our coal to Russia and in exchange they take our steel."

Hungarian-Soviet treaty on the navigation of the Danube. "The Soviet Union may navigate the Danube lengthwise and the Hungarians breadthwise."

Intourist advertisement: Visit the Soviet Union before the Soviet Union visits you.

These are not anti-Russian jokes, for the Russians are as much victims of the socialist system as anyone else. Indeed they have been victims for far longer than anyone else. The length of their plight and their feelings about it were recently succinctly summed up by an elderly man answering the questions of a sociologist in Leningrad:

Where were you born? St. Petersburg.
Where did you go to school? Petrograd.
Where do you live now? Leningrad.
Where would you like to live? St. Petersburg.

Christie Davies

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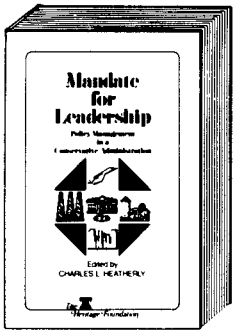

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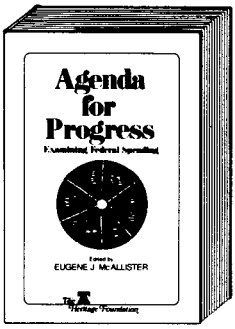

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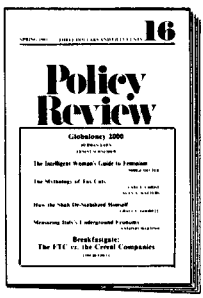

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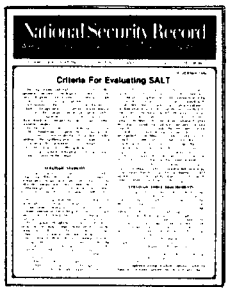

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Book Reviews

Such Men Are Dangerous

GOVERNING AMERICA. *By Joseph A. Califano, Jr.* (Simon and Schuster, New York, 1981)
A LIFE IN OUR TIMES. *By John Kenneth Galbraith.* (Houghton Mifflin Company, Boston, 1981)

We are living in the long run, and Keynes is dead. His legacy of economic understanding, regnant in federal government policy for a generation, was interred in November 1980. Now, less than a year later, even stalwart Democrats of the old school recognize the need to couch their old nostrums in the new supply-side terminology. Gone are the static models, the macroeconomic assumptions, and the efforts to effect "fine tuning" of the economy. Gone, too, is the ancillary political style, made possible (if not inevitable) by Keynesian economics, in which various interest groups compete for their shares of a growing federal pie.

Unfortunately, although Keynesianism is dead, not everyone has noticed the obituary that the national electorate supplied. Both Joseph Califano and John Kenneth Galbraith remain uninformed. So each has produced a set of personal reminiscences into which the reality of political change never obtrudes. Professor Galbraith was one of the earlier acolytes in Keynes's service; Mr. Califano was one of the premiere practitioners of the Keynesian political style. The two sets of memoirs, covering as they do a similar set of issues and an overlapping period of time, together provide a useful insight into the thoughts of the generation now making its exit from the political stage.

Interestingly enough, although the two men dwell on the same problems and deal with the same characters, they only brush past each other in these two books. Professor Galbraith does not appear in *Governing America*, which is primarily devoted to the Carter administration, since Professor Galbraith was (for a change) not active in that Democratic regime. Mr. Califano appears in a cameo role in the Galbraith account. After the 1967 coup in Greece, Professor Galbraith marshalled various intellectuals to support the cause of Andreas Papandreou, who was arrested by the junta. He called Mr. Califano—who was then serving as a White House aide—to convey his concern to President Johnson. In the morning, Professor Galbraith heard the reply, relayed by another White House functionary: "Call up Ken Galbraith and tell him that I've told those Greek bastards to lay off that son-of-a-bitch—whoever he is."

Such blunt messages from the President are, of course, exactly what the reader hopes to find in political memoirs such as these. The major attraction of such books is the inside information they provide: the glimpses of the unvarnished truth about political wheeling and dealing at the higher levels. Mr. Califano's book relies heavily on this voyeur-

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istic appeal, and for perhaps 100 pages the charm works. One reads with interest the author's first impressions of then-candidate Jimmy Carter, and his Machiavellian efforts first to secure his position as Secretary of Health, Education, and Welfare (HEW), and then to find and appoint compatible subordinates. Certainly it is amusing (if not surprising) to learn that at meetings in the Oval Office, Hamilton Jordan would routinely explain that he cared not a whit about the merits of a piece of legislation—he only knew the political score. But eventually the attraction of such tidbits wanes; having seen the governmental processes undraped, one looks for more. And Mr. Califano's book, which is neither particularly insightful nor especially stylish, does not deliver.

In *A Life in Our Times*, the ebb and flow of political battles is overwhelmed by the tidal egotism of the author. Professor Galbraith has written a number of books, about economics, public policy, travel, and history. Now with this book (and its predecessor, *Annals of an Abiding Liberal*—another memoir) he turns his attention to his favorite subject. If Socrates is right, and all philosophy begins with wonder, then this book was destined inevitably to be philosophical, so great is the reverence with which the author contemplates himself. On page after page, Professor Galbraith dismisses his political and academic opponents with a rhetorical wave of the hand. It would be *infra dig* for him to respond directly; instead, he pokes fun. And no object is too trivial to provoke his mirth: any slip of the tongue or personal foible is sufficient to launch the Professor's scorn.

Paradoxically, however, *A Life in Our Times* grows on the reader. Professor Galbraith makes no attempt to conceal his narcissism, and eventually the reader learns to accept it. At about the same time, one notices the sustaining verve and clarity of the author's prose style. (No doubt it is his facility with the English language, and not his competence in economic analysis, that earned Professor Galbraith his reputation.) Professor Galbraith relies on his own wits, and (as he would have predicted) they serve him well. Mr. Califano relies much more heavily on recollections of his conversations with President Carter and other dignitaries, and in the end these recollections pale. In part, no doubt, the fault lies with the author: Mr. Califano does not have a very good ear for dialogue, and the recalled conversations do not have quite the right ring. But then, one realizes with growing horror, politicians really *do* tend to address each other in stilted, mock-heroic phrases. So in part the fault lies simply in the choice of subject. Professor Galbraith judges himself more interesting than most people in government and his judgment, alas, is accurate.

If Professor Galbraith's book is clearly superior in terms of style, the two authors are equally unsuccessful in their efforts to organize their material satisfactorily. Mr. Califano divides his book up into chapters, each of which deals with a particular aspect of HEW policy: abortion, health care, welfare, education, civil rights, and social security. The advantage of this approach is obvious: it enables him to follow one topic through its development, acquainting the reader with the political and administrative niceties involved, and ending with a

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hortatory summary of what all good men should think about that topic. But his book is not primarily aimed to persuade, and in the effort at persuasion Mr. Califano sacrifices the greater goal of versimilitude. The life of the HEW Secretary is not neatly divided into chapter headings; the same players are simultaneously cast in many, overlapping dramas. So the reader does not really gain an accurate sense of how the Secretary spends his day. The fault is a damaging one, especially for an "insider's report" on Washington politics. But it is no worse than the eccentric organization of *A Life in Our Times*, in which the expository style comes perilously close to stream-of-consciousness narration. Professor Galbraith, too, divides the book into discrete chapters. But these chapter headings are virtually meaningless; his focus jumps back and forth in time, recalling people and events, applying arguments and rebuttals, scoffing at conventions and institutions. Superficially the book is organized according to time, but in fact the subject meanders whithersoever the governor listeth.

Because he aims so many barbs at so many targets, Professor Galbraith inevitably scores a number of bull's eyes. He can be disarmingly honest, as he is in his admission that he has always tried to take advantage of every opportunity to travel at someone else's expense. And since he professes unconcern about how other people will judge him (his own good opinion being more than enough), he feels free to debunk others' pretensions. Thus, he guesses that many academicians undertake long-term projects solely to camouflage the snail's pace at which they work; if they bit off smaller chunks of research, the world would be astounded at how slowly they progressed. (Professor Galbraith himself, who held all students in contempt, was never inclined to dwell overlong on academic responsibilities. His twenty-seven-year stint as a Harvard instructor passes almost totally unnoticed in his recollections.) He mentions that people who write book reviews regularly can expect to see their own books reviewed much more favorably than they otherwise might be, since every reviewer knows at first hand the dangers of alienating his fellow reviewers.

The most acerbic comments, however, fall upon the purveyors of pseudo-knowledge, especially through the mass media. For instance,

> So television newsmen are breathless on how the game is being played, largely silent on what the game is all about. On the morning following the 1978 congressional elections, I was asked in urgent tones by an NBC commentator who I thought would win a yet unresolved electoral contest in Ohio. I said that it was a silly question; he had only to wait a few hours and he would know for sure. The great man trembled with indignation.

On more serious matters, Professor Galbraith's insights are no less acidic, and perhaps even more imaginative. And yet time after time he misses the gravamen of his own observation. He points out that rich people have the most to gain when monetary policy is used to keep money tight, but he neglects to mention that poor people have the most to lose when the currency is debased. He emphasizes the importance of advertising in establishing a market, yet he somehow does not see that advertising itself is an essential service industry. He sees the

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squalor of the inner cities, and the political power wielded by large corporations, but he fails to understand that these problems arise largely as the result of government activities—the activities that would be expanded if his cures were enforced. Professor Galbraith even discovered the New Class, no doubt unwittingly, when he argued that "The secular priesthood, it should be observed, naturally associates class interest with valid policy."

As virtually everyone knows, John Kenneth Galbraith has been active in Democratic politics since the New Deal. During World War II he administered the nation's price-controlling apparatus, and in the years since then he has repeatedly bewailed the fact that he no longer effectively runs the economy. That sorrowful sentiment inspires his most famous book, *The Affluent Society*, in which he decries the tendency of consumers to buy things that he (Galbraith) thinks are useless to them—such as autos with tailfins—and to ignore the things that he considers most important—such as socialist economic prescriptions. So great is the Professor's penchant for political power that in 1952, when the electorate took the presidential administration out of Democratic hands, he required psychiatric attention for acute depression. And again in 1956 health problems—evidently brought on by tension—sidelined him for the election. That same passion appears consistently in his desire to subsume political power into the public realm, where people like himself can manage the needs of the nation. That the nation might manage its own needs, or that the demands of the public might be supplied in the private sector, are possibilities that quite literally make the Professor sick.

In recent years, Professor Galbraith has devoted the major portion of his considerable writing talent to general subjects, abandoning his earlier preoccupation with economic mystification. The title of one such broad-gauged book, *Economics, Peace and Laughter*, is an accurate enough description of his major themes. Had he only devoted himself to providing laughter, Professor Galbraith could have been a satirist of the very first rank; his eye for absurdity and pomposity is unmatched. On the subject of economics he provided many useful insights, unfortunately overshadowed by the wrongheaded solutions he attached to them. But when he spoke of peace, Professor Galbraith revealed nothing so much as naivete. A longstanding opponent of American efforts in Vietnam, he remains unmoved by the current plight of that sad country. (Worse still, he claims to have foreseen the plight of the boat people, although he offers no solution—historical or contemporary—for their problems.) An ardent exponent of detente, he foresees the eventual convergence of the American and Soviet systems—a convergence that would of course become much more likely if he had his way with the U.S. economy. Perhaps as a result of that towering ego, he seems utterly devoid of patriotic sentiment. In fact, in speaking of his induction into American citizenship (he was born in Canada), Professor Galbraith confesses that "No one in history has done so with so small a sense of emotion. . . ." Consequently, he has little appreciation for the national interests, legitimate and bogus, that inform international politics. Fortunately, Professor Galbraith will not be re-

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membered for his efforts on behalf of peace; his economic works are tainted enough.

While men like Professor Galbraith were providing the intellectual background, Democratic politicians like Joseph Califano emerged to operate the government according to the Keynesian imperatives. For Mr. Califano, Keynesian economics is not an article of faith but a presupposition; his entire career has been predicated on the assumption that government can eradicate (or at least assuage) problems by using the political equivalent of demand-management. Mr. Califano served as a Pentagon lawyer, a White House aide under President Johnson, and most notably as Jimmy Carter's Secretary of HEW. During the off-years (that is, during Republican administrations) he was a highly successful Washington lawyer. "The Washington lawyer," Mr. Califano himself has written, "rarely litigates cases; rather, he tries to appoint judges." So he has never been far removed from the political maelstrom.

Since Jimmy Carter eventually forced Mr. Califano to resign his HEW fiefdom, it should come as no surprise that President Carter is not the hero of *Governing America*. Mr. Califano depicts him as weak, indecisive, and unrealistic, and treats the reader to many descriptions of President Carter's cold blue eyes. In contrast, he regales the reader with delightful anecdotes drawn from the career of his own favorite President, Lyndon Johnson, who unquestionably knew—and used—all the secrets of successful political manipulation.

When he first joined the Carter team, Mr. Califano was disconcerted to learn that Hamilton Jordan, Jody Powell, and even the President-elect himself actually *believed* their campaign rhetoric. To a veteran insider like the HEW Secretary, it was astonishing that anyone would hope to run the Washington apparatus while claiming not to be a creature of the Washington establishment. He saw the administration pulled apart by White House aides who refused to recognize political realities, until eventually the President had become isolated not only from the populace but even from his own Cabinet. In an effort to avoid partisan squabbling—to take the politics out of politics—the Carter administration had come to ignore almost all outside advice, and create its own policy *ex nihilo*. As Mr. Califano explains, "Carter had so compartmentalized policy and politics that the annual budget process seemed to take place in an apolitical vacuum."

As Mr. Califano argued, vainly, nothing in Washington is apolitical. The net effect of the Georgian style was to practice politics as usual while pretending that the result was somehow objectively derived. The pretense failed, and President Carter wondered why the American people did not accept his leadership. After that fateful Camp David "Domestic Summit," the President reported that the nation suffered deep spiritual malaise. Mr. Califano recognized the President's report for what it was: "a banal address, written . . . for Pat Caddell's polls and to manipulate the emotions of the people exposed in them." President Carter was not following the people's directions. Rather, he was following his own agenda, and then trying to convince the electorate that his efforts matched their desires. This was not a new marketing tech-

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nique; the Ford Motor Company had tried the same approach to sell the Edsel. President Carter enjoyed roughly similar results.

None of this would have happened if Lyndon Johnson had still been President. That is Mr. Califano's opinion, and no doubt it is true. But the distinction between the policies of President Johnson and President Carter is not as great as one might first believe. Lyndon Johnson, too, was a practitioner of the Keynesian style; he too believed in administering the government from above rather than in letting the voice of the people well up from below. The Johnson style was not more democratic, but simply more pragmatic; he knew which interest groups had to be humored. Mr. Califano, having studied the art of governance at Lyndon Johnson's knee, offers this trenchant critique of one Carter-inspired policy:

> The Justice Department should no more have exclusive rights to formulate positions on seminal constitutional law than the Treasury Department has to prepare tax legislation or formulate economic policy, without broad involvement of the interested government agencies.

Here is the contemporary liberal faith: no policy should be set in force until it has been approved—not by the people, or even by their representatives in Congress, but by "interested government agencies." Mr. Califano would expand the franchise to include organized pressure groups, and certainly editorial writers, but not the general electorate. He aims to satisfy the politically relevant elite, disregarding the general populace. From a purely practical point of view, this approach works. (Or to be more accurate it *can* work.) But it is a far cry from the ideals expressed by Mr. Califano in his Preface to *Governing America*: "I have a free man's faith and an abiding conviction that if people know enough about these things, they will have a better chance to improve the way government works."

Lyndon Johnson had a special gift: an acute barometer to measure the countervailing powers of special interests. A less astute politician can not expect to match President Johnson's successes. Joseph Califano is a less astute politician. When he encountered opposition to the programs he devised, he regularly attributed that opposition to the political needs of his opponents; that is, he assumes that they would not stand in his way if they were not under extreme pressure to stymie him. That appraisal may be right or wrong, depending on the particular case, but it is politically irrelevant. The problem, as Lyndon Johnson surely tried to teach his aides, is not to understand political opposition but to conquer it. The lesson evidently did not reach Mr. Califano.

As a result, during his tenure at HEW, Mr. Califano found himself in a series of unseemly political postures. In his efforts to establish a system of national health care, he found himself so thoroughly manipulated by Edward Kennedy that at one point Senator Kennedy advised him to resign—to resign because he was unable to advance Senator Kennedy's goals rather than those of the President. Throughout his tenure at HEW he conducted a running battle against the state of North Carolina, trying simultaneously to enforce a desegregation plan for the state's public colleges and a publicity campaign against the same state's vital tobacco industry. Neither campaign enjoyed notable suc-

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cess, and the political consequences were extremely injurious both to Mr. Califano himself and to the Carter administration generally. (But give Mr. Califano credit for consistency; when he first suggested a federal campaign against tobacco, he himself was smoking two packs of cigarettes a day.)

And then there was the politically volatile issue of abortion. Mr. Califano arrived at HEW just as the controversy over federal abortion funding peaked, and the topic provided his searing baptism in fire. Mr. Califano himself opposes abortion, and, standing firmly on principle, he so informed the Senators during his confirmation hearings. Naturally, a horrific storm of protest ensued from abortion proponents. Mr. Califano devotes an entire chapter to this controversy, detailing the charges, countercharges, and the uneasy truce. He never flinches from his own position: to him abortion is unacceptable. But he recognizes the equal moral fervor of his opponents, and he respects their position as well. Everyone is sincere; everyone is adamant; how then to resolve the issue? Alas, Mr. Califano never provides an answer, and in fact the issue was never even superficially resolved at HEW; different sections of the Department worked at cross-purposes repeatedly. Not once does Mr. Califano consider what the majority of American voters might think on the subject; not once does he construct an argument from natural rights or Constitutional law. In fact, despite his repeated assertions that he opposes abortion, he never explains *why*, except by saying that he is a Catholic, and the Catholic Church opposes the practice. Why does the Church oppose it? Mr. Califano does not explain.

Religion makes another noteworthy entrance into *Governing America*. When Mr. Califano first comes to know Jimmy Carter, while the latter is campaigning for the Presidency, he is impressed by the candidate's piety and homespun simplicity. Candidate Carter is seen initially as a devout born-again Christian: returning thanks before every meal, encouraging prayer groups within the White House, discouraging his aides from living in sin. But gradually this religious element disappears from the character portrayed by Mr. Califano. There are virtually no references to President Carter's religious beliefs until suddenly, incongruously, the President tells Mr. Califano that "I'll pray for you"—immediately after forcing his resignation. Did Jimmy Carter fake religiosity as a campaign posture? Did his faith become less important to him as he encountered the temptations of Presidential power? Or does Mr. Califano think (as his treatment of the abortion issue suggests) that matters of faith are not fit topics for political discussion? None of these explanations is comforting.

Joseph Califano is, by all available accounts, a comfortable Catholic. He fills a useful role in a Democratic administration, representing the Catholic population without precipitating any sectarian conflicts. He is friendly with the Catholic hierarchy, and at home with the secular powers of the Washington establishment. Jimmy Carter perceived these qualities readily, and made no effort to hide the fact that he saw Mr. Califano as his house Catholic. It was an exercise in tokenism, to be sure, but Mr. Califano did not find it particularly offensive. Any-

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one who hopes to survive at HEW must be willing to accept tokenism and the policy of appointment by quota. As Secretary he was an ardent proponent of federal affirmative action programs. (He only made one notable slip: in a speech he once referred to "quotas," rather than inserting the obligatory euphemism.) His political understanding requires the representation of interest groups, and such representation leads naturally to numerical quotas. Does the government want to respond to the demands of Catholic citizens? Appoint a Catholic to the Cabinet. Are blacks complaining? Appoint a black. Each man is judged not on his own merits, but on the merits of the class he represents. In his own final days with the Carter administration, Mr. Califano heard without protest the President's order to "get rid of those who are incompetent, except minorities and women."

Which of a candidate's qualifications are relevant: his past experience or his race? his intelligence or his religion? In the Keynesian state, the government establishes its own criteria. In effect, the ruling elite determines which subjects are fit for its own consideration. Government defines the limits of the private sector. In the traditional American understanding, by contrast, the private sector determines the limits of government activity. Professor Galbraith provides a homely but accurate example of that latter understanding. The tale involves the "exceptionally clear-headed young woman" who managed the Galbraiths' household affairs:

> . . . I asked Emily to hold all telephone messages while I had a nap. Shortly thereafter the phone rang. Lyndon Johnson was calling from the White House, and he came on the line himself.
>
> "Get me Ken Galbraith. This is Lyndon Johnson."
>
> "He is sleeping, Mr. President. He said not to disturb him."
>
> "Well, wake him up. I want to talk to him."
>
> "No, Mr. President. I work for him, not you."

A citizen's nap is in the private sector, and the government should not interfere. If only Professor Galbraith shared his housekeeper's political instincts, we might all be better off today.

Philip F. Lawler

Liberal Compulsions

SOCIAL JUSTICE IN THE LIBERAL STATE. *By Bruce A. Ackerman.* (Yale University Press, New Haven, Conn., 1980)

RADICAL PRINCIPLES: REFLECTIONS OF AN UNRECONSTRUCTED DEMOCRAT. *By Michael Walzer.* (Basic Books, New York, 1980)

For the past century, liberal (in the contemporary sense of "liberal") philosophers and political economists have tried unsuccessfully to marry liberty to equality. They have failed not because the match cannot be made, but because they confuse economic equality (equality of wealth) with political equality (equality before the law). The latter

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form of equality is, as F. A. Hayek once argued, "the only equality which we can secure without destroying liberty."

Modern liberals believe that men have a theological duty to secure economic equality. But states that do so fail their citizens in two ways. First, they destroy the institutions that make political and economic freedom possible—private property and the free market. Second, they endorse moral sentiments—such as avarice, suspicion, envy, and sloth—that reasonable men detest.

Bruce A. Ackerman and Michael Walzer claim in recent books to succeed where their philosophical forbears have failed. But neither disabuses himself of the confusion about equality, and neither provides convincing proof that citizens in liberal states may enjoy substantive political freedoms.

Professor Ackerman's immodest *Social Justice in the Liberal State* is an exercise in positivism. He claims to construct an irresistible argument for liberalism upon three "innocuous" principles, which he labels Consistency, Rationality, and Neutrality. The first really is innocuous, but the other two are not.

The Rationality Principle states that "[w]henever anybody questions the legitimacy of another's power, the power holder must respond not by suppressing the questioner but by giving a reason that explains why he is more entitled to the resource than the questioner is."

The Neutrality Principle declares that "[n]o reason is a good reason if it requires the power holder to assert (a) that his conception of the good is better than that asserted by any of his fellow citizens, or (b) that, regardless of his conception of the good, he is intrinsically superior to one or more of his fellow citizens."

The Rationality Principle obviously has little to do with rationality. Professor Ackerman uses it primarily to proclaim his profound distrust of wealth and power. In his society, men of means stand accused of unspecified crimes against society. In order to retain their wealth, they must convince a court—much like Kafka's court—that they are innocent. The principle also hints broadly at the author's ideal "technology of justice." Professor Ackerman, ever the lawyer, believes that members of his Brave New World will settle all their disputes through litigation.

This queer principle places a premium on avarice, envy, and impotence. Professor Ackerman willingly hacks freedom's fruits down to ground level in order to preserve the weeds' rights to "undominated equality."

But the poorly named Neutrality Principle lies at the heart of his theory of justice. Neutrality forbids the use of value judgments in the all-important debates that define and preserve human rights in his state. It draws its force from a "Principle of Agnosticism"—that no person is any better than any other and no principles better than any others. So defined, Neutrality outlaws competing theories of entitlement, which must resort to moral principles and value judgments. This leaves Professor Ackerman alone and untouchable, free to draw up his own valueless social blueprint.

He begins simply by declaring that all citizens initially have invio-

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lable rights to equal amounts of wealth and power because, in his words, "I'm at least as good as you are." Then he adds an interesting twist. Citizenship belongs only to those capable of "liberal dialog," able to answer the question "What entitles you to something I don't have?"

This odd notion has odd consequences. It immediately denies citizenship rights and protections to children, retarded persons, and certain illiterates, while bestowing special favors upon citizens blessed with extraordinary forensic skills. Indeed, it appears that divisive sophists might have free reign over their less witty coevals.

But that's just the tip of the iceberg. The dialogic standard of citizenship also permits actions that, by any other metric, seem absurd or inhumane. Month-old chimpanzees, for instance, have greater rights than month-old humans do by virtue of their superior powers of communication. Fetuses have no rights at all, because they possess none of the verbal skills requisite to citizenship. Therefore society has as much right to abort fetuses as it has to cut flowers.

If citizenship rights, including the right to life, depend upon one's ability to conduct liberal dialog, society also has a right to exterminate infants, severely retarded humanoids, comatose individuals, and senile ex-citizens whenever and however it chooses. This fact causes Professor Ackerman some discomfort, but he believes that "animal rights" philosophers will bail him out someday by generating arguments capable of preventing the execution of already born non-speakers. He also believes that genetic control might prevent the birth of retarded children, and even weed out those likely to become senile or otherwise incapable of joining the liberal order.

He discusses genetic control in other connections as well. Each generation, he believes, must pass on to its successors at least as much per capita wealth as it received itself. If, at some future date, increasing populations and dwindling resources threaten a nascent generation's per capita allotments, Master Geneticists may have to weed out fetuses constructed with inferior genes.

Consider finally the moral precept that buttresses Professor Ackerman's entire theory of justice, that "I'm at least as good as you are." This claim is defective on several counts.

First, it is a non-sequitur. "Good" makes sense only when standards distinguish it from "non-good." The Neutrality Principle, of course, forbids the use of such standards. Undaunted, Professor Ackerman proceeds as though good at baseball is the same as good at writing is the same as good in bed is the same as good in the eyes of God. His injudicious usage of the word causes him to confuse merit for value, to claim that matters of procedural justice occupy the same ground as Natural Law.

It strands Professor Ackerman on a slippery slope, where his citizens may demand complete equality of wealth, respect, popularity, talent, self-esteem, good looks, or any other social good, and to claim moral justification for their demands because "I'm at least as good as you are." His society thus degenerates into a contentious, envious Animal Farm governed by Least Common Denominators, a mediocracy.

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What begins as an attempt to protect the poor and powerless thus becomes an argument for the tyranny of poverty and impotence. Excellence cannot be tolerated because it places some on higher ground than others. Professor Ackerman cannot accomplish his goal without investing responsibility for creating and maintaining "equality" in a monstrous bureaucracy. If power corrupts, his government wallows in absolute corruption. If on the other hand his citizens forbid such consolidation of power because "I'm at least as good as you are," egalitarian anarchy will reign. His followers must choose, then, between totalitarian and anarchic equality, between Mussolini and Hobbes. Either way, no one wins but the lawyers.

Michael Walzer struggles with the same problems in *Radical Principles: Reflections of an Unreconstructed Democrat*. His book, a collection of essays published in liberal journals during the past fifteen years, contains several provocative arguments. Mr. Walzer shares Professor Ackerman's zeal for radical egalitarianism, but advances his arguments more carefully and humbly, with no pretension of moving inexorably from first principles to Utopia.

Instead he addresses, piecemeal, a number of current social disputes, throwing his glove at hypocrites of conservative and liberal persuasions. Mr. Walzer ultimately believes that urbanized, modern men yearn for the compassionate counsel of socialism. He claims in "In defense of equality" that because in the real world equal rights require equal wealth, poor men can receive equal protection under the law only if they can hire the same lawyers rich men hire.

This pragmatic argument fails on practical grounds. In the real world the sources of inequality—private property and the free market—give individuals the autonomy of means and actions to preserve their freedom. When poor men surrender both they lose the right and capacity to become unpoor and to act in accordance with their own whims or consciences. Levelling never reduces inequality as much as it produces poverty through economic stagnation.

Mr. Walzer considers wealth a right like free speech, but never explains why men may not produce and acquire wealth as freely as they may speak their minds. Nor does he give convincing proof that free markets and private property prevent men from exercising their political rights.

In a piece entitled "Town Meetings and Workers' Control," Mr. Walzer declares that "the easiest and best argument for socialism is a political argument, an extension of the defense of democracy." Distributionism, he says, balances power by keeping the powerful weak and the weak powerful. But those who control wealth wrest autonomy from individual consumers and producers. "Democratic socialism" is for this reason a contradiction in terms. When men lose sovereignty over the market (which happens whenever planners assume control of the economy) they lose control over what Marx considered the most important sector of social life, the economic sector. States that control their economies control the substance of politics and cannot for that reason grant substantive political freedoms to their citizens.

Mr. Walzer also worries about the moral fiber of modern societies.

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He believes that societies progress only when citizens recognize and honor common moral codes. Yet he also despises the two sources of social values: tradition and the free market.

Tradition preserves language, culture, arts, morals, and all the other artifacts that link the generations of man. They make life coherent, giving it shape and meaning. Those who claim that traditions shackle men to past idiocies look through the wrong end of history's telescope. Traditions merely restrain men from repeating their forefather's errors. They represent in condensed form the accumulated wisdom of the ages. They do not destroy reason; they preserve it.

When traditional ways cease to benefit men, men discard them and search for new ones. Free markets provide the best laboratory for testing the works of innovators. No institution distributes information among producers and consumers as swiftly, or sweeps away inferior practices, goods, and values as surely as the free market.

Markets reward both short-term virtues like thrift, efficiency, and sensitivity to the common weal and "long-term" virtues like fairness in trade, competitive fitness, and innovative daring. Keynes may have believed that "in the long run, we're all dead," but free markets could not survive without rules and institutions that guarantee their future health, and the health of society as well.

Mr. Walzer's suspicion of markets and traditions places him in a curious bind, for he cannot promote civic virtues without either destroying the state (all states rest upon layers of tradition) or coercing individuals to act virtuously. Successful, rude shysters really raise his hackles. Should not the economy, he asks, reward politeness and moral strength, instead of paying huge dividends to jerks?

Liberals traditionally have milked such questions for more than they are worth. Markets do not, of course, enrich cads for being cads. They reward men who produce goods that other people want. Burke and Smith loathed slimy merchants, but they defended the markets in which those merchants flourished because markets allocate goods and resources, respond to the sovereign desires of consumers, and disperse and utilize knowledge more swiftly and efficiently than governments and planning committees ever could. Socialists labor under dreary and inflexible plans; capitalists do not. Capitalists respond both to present exigencies and eternal possibilities.

Markets, moreover, can and do respond to the moral convictions of consumers. When consumers boycott, wayward producers mend their ways. But Mr. Walzer wants more, he wants a world without Original Sin, a purer moral order of the "democratic socialist" variety. But that government denies men the very freedom—the freedom to sin—that makes virtue valuable.

Still, he advances some telling criticisms. Markets, he says, are not free. They force men to choose occassionally between personal gain and social good, to balance altruism against economic expedience. Values no longer spring from market life: Horatio Alger is dead and gone. Instead, the last traces of civility seem about to vanish amid the din and confusion of life in technologically sophisticated societies.

Nowadays, he contends, men must speak boldy for the values and

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institutions they revere, and give their coevals sound reasons for sharing their enthusiasms. Those who remain silent, or rely on a *deus ex machina* like the free market or socialist morality are cowards, "men without chests," as C. S. Lewis called them. This is a critical insight, perhaps an obvious one, that free men should never forget, whether they be liberal or conservative. Arguments like these make Walzer important reading, even for those who disagree with him.

Tony Snow

Culture and Ethnicity

THE ETHNIC MYTH. *By Stephen Steinberg.* (Atheneum, New York, 1981)

This tendentious book epitomizes much that is wrong with the literature on race and ethnicity—and "social science" in general. It is a textbook example of faulty reasoning—indeed, how to *avoid* reasoning at all, by the use of rhetorical devices in place of either logic or evidence. *The Ethnic Myth* contains many facts, but the way the author uses them illustrates the crucial distinction between information and evidence.

Stephen Steinberg argues—"persuasively," the book jacket claims—"against the popular notion that the success or failure of any immigrant group is primarily a result of its cultural values...." In the course of doing so, words like "exploitation" and "crisis" are applied freely to all sorts of things like ketchup. Somehow Mr. Steinberg seems to have determined how much people's work was *really* worth—a feat that has eluded economists for centuries—and so can with casual ease describe what they were paid as "exploitation."

The economic success of many ethnic groups who were discriminated against presents a formidable barrier to the book's thesis that success depends upon class, discrimination, and something called "opportunity structures." In the United States a "fortuitous wedding of historical circumstances" produced Jewish success, according to *The Ethnic Myth*. How Jews have been similarly lucky in many other countries for more than a thousand years is left unexplained. The parallel success of the "overseas Chinese" in southeast Asia, the Caribbean, and the United States is another set of remarkable coincidences left unexplained.

If the cultural values of groups are admitted as major factors, then in Mr. Steinberg's words, "the focus of blame is shifted away from the societal sources of inequality and placed on the ethnic groups themselves." Not only is Mr. Steinberg opposed to such "invidious comparisons"; his book rings with moral condemnation of America's "ignominious" past, its "festering problems related to the rapid expansion of capitalism" and opposing theories that are "nothing more than an intellectual smoke screen for our society's unwillingness or inability to

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wipe out unemployment and poverty." Yet Mr. Steinberg condemns *other* writers for having "an essentially moral interpretation of history"!

The prosperity of black West Indians in the United States is perhaps the toughest example to deal with for those who explain intergroup differences by racism and discrimination. Mr. Steinberg is unfazed by the substantial income difference between native blacks and West Indian blacks: "Sowell reports that once region and education are held constant, there is little difference in the incomes of the two groups." But what Sowell actually reported in the article cited was that the two groups had *identical* numbers of years of schooling in New York City—and still the West Indians had 28 percent higher incomes there (as well as 44 percent higher nationally). Moreover, on the very same page it was reported that second-generation West Indians have higher incomes than Anglo-Saxons! It is hard to square that with racism or discrimination as the all-purpose explanation of income difference.

Other factors are handled with the same blithe attitude toward accuracy. In refuting the cultural explanation for the difference between the representation of Irish, Italian, and Jewish immigrant women as maids, Mr. Steinberg triumphantly points out that 20 percent of the women in nineteenth century Milan worked as maids, so that the scarcity of Italian American women in this occupation cannot be cultural. But the literature on Italian Americans abounds with references to the fact that (1) most originated in *southern* Italy, and that (2) the north-south cultural differences (and antagonisms) in Italy are large and historic. Milan is in the far north.

Facts are dispensed with entirely in large parts of the book, where selected quotations are used to establish empirical propositions, such as nineteenth century America's "desperate need" for "cheap unskilled labor." Why it is better to have people who produce, say, half the output at half the pay is by no means obvious. Indeed, prosperous nations with many wealthy capitalists tend to have *smaller* proportions of their labor force consisting of "cheap unskilled labor" who are supposedly the source of exploitative profits.

The notion of a "desperate need" for unskilled immigrants just before massive immigration began is part of a larger pattern of coincidence and predestination running through the book. Various groups arrived on the "threshold" of this or that historical development—thereby explaining their rise in American society. Jews, for example, arrived in the United States just when the garment industry was starting to grow. This incredible reversal of causation ignores the very possibility that it was the Jews who created much of the American garment industry and caused it to grow. Using Mr. Steinberg's approach, one could say that Hank Aaron often came to bat just when a home run was about to be hit. Lucky Hank!

True to contemporary fashion, Mr. Steinberg sees crime as "a symptom of class inequality," distinguishes "violence that affirms and violence that negates," dismisses quality standards as "a disguise for privileges" and asserts that "there is no such thing as 'reverse racism.' "

Throughout *The Ethnic Myth*, he rhetorically collectivizes vast num-

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bers of independent decision-makers as "society" or "capitalism"—losing in the process all understanding of social phenomena that are due precisely to their competition. For example, he mentions the white employer cartels established in the post-Civil War South to hold down the wages of newly freed blacks. What he completely fails to mention—or perhaps to understand—is that these cartels quickly broke up under the stress of competition in the labor market. Southern newspapers and periodicals of that era were full of mutual recriminations among white employers and landlords for not sticking by their agreements to hold down the pay of blacks—which rose at a higher percentage rate than the pay of whites in the generation after the Civil War. A rhetorical collectivization of decision-makers does not mean that they in fact act in concert.

Despite its intellectual shoddiness, this book contains enough research and insights to suggest that the author was capable of better things, if he were not so determined to support a particular ideological position, at all costs. The greater tragedy is that people like this increasingly fill our colleges and universities, both as students and professors.

Thomas Sowell

Age of the Jackal

THE TERROR NETWORK: THE SECRET WAR OF INTERNATIONAL TERRORISM. *By Claire Sterling.* (Holt, Rinehart and Winston, Reader's Digest Press, 1981)

The Terror Network is not the first book to document the deep and long-standing involvement of the Soviet Union, its satellites and surrogates and their clandestine services, in international terrorism, but it is probably the most extensive and the most carefully documented. In the past decade Brian Crozier, Ray Cline, Robert Moss, John Barron, Miles Copeland, and Stefan Possony as well as other prominent and respected scholars, journalists, and investigators have discussed the Soviet role in terrorism—in the so-called "national liberation movements" of the Third World as well as in the urban terrorist groups of Europe and North and South America. Recently, this reviewer published a monograph that summarized the documentation of Soviet complicity and sought to analyze its strategic goals and ideological foundations.

The argument for Soviet involvement is therefore not new, but until recently it was largely confined to journals of conservative or explicitly anti-Communist persuasion. In early 1981, however, the allegations of Secretary of State Haig and subsequent hearings before the Senate Subcommittee on Security and Terrorism—in which Claire Sterling as well as William Colby and Michael Ledeen confirmed the

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fact of Soviet support for terrorism—provided a wider audience for the argument.

Since that time the existence, extent, and nature of Soviet support for terrorism have become the subject of bitter controversy. The American Left and some elements within the U.S. intelligence community hotly dispute the conclusions of Mrs. Sterling's book. In general, the critics point to the circumstantial nature of much of the evidence for the Soviet role, take issue with the inferential reasoning of Mrs. Sterling and of those who adhere to her thesis, and frequently dwell on the anti-Communist inclinations of these adherents as somehow disqualifying their arguments from serious consideration.

There are, of course, two sides to every question, and the critics, when they are serious, sometimes raise valid points. However, many of the critics and skeptics appear to be motivated by a desire to protect vested bureaucratic interests and reputations as well as by their own ideological commitments. The left seems unable to recognize the Soviet Union as a serious and immediate threat because to do so would serve as a justification for expanded defense spending, a more aggressive and anti-Communist foreign policy, and a restoration of the intelligence services. Moreover it is felt that "Soviet support for terrorism" is simply a codeword for "McCarthyism" and a justification for the allegedly repressive instincts of the anti-Communist Right.

Within the intelligence community, resistance to the idea of Soviet involvement in terrorism proceeds in some cases from concern over vested bureaucratic interests. If Mrs. Sterling, a journalist, and mere striplings such as this reviewer, know about Soviet support, then why has the CIA never mentioned it? Could it be that the CIA is not doing its job? And, if so, could it be that U.S. intelligence needs a long, hard scrutiny and not a little head-rolling?

Then, too, there is the "evasion factor." Whether the Soviets support terrorism depends upon one's definition of such words as "Soviets," "support," and "terrorism." None of these terms is unambiguous. The term "evidence," furthermore, can mean either "information tending to prove" or "information that is confirmed and legally admissible in an American court of law." Some in the FBI and CIA use the term in the latter, restrictive sense and thereby exclude from consideration information that cannot be used in court because it might expose sources and methods, might reveal other classified material, has been collected extralegally, is not confirmed through independent sources, or derives from human assets of generally questionable character (e.g., many defectors and informants on all sides have more or less serious character and personality flaws and often tell some lies about themselves or their experiences). Yet, when information is not technically admissible as evidence in court, it can still be true, and for the U.S. intelligence and security services to play word games on this matter is a dereliction of their duty.

Despite these ideologically and bureaucratically inspired criticisms, Mrs. Sterling's facts are virtually undeniable and her arguments generally sound. Since at least 1968, she argues, the Soviet Union and its satellites have committed themselves to the support and encourage-

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ment of revolutionary violence in the Third World as well as in the more advanced economies of the West. Support for the former is more or less open, while for the latter it is of a highly clandestine nature. The support in both cases takes the form of training (in the USSR and the Eastern Bloc states, in satellites such as Cuba or South Yemen, or in the training camps of surrogate terrorist groups such as the PLO and its components); the provision of weapons; operational and financial support; and propaganda (either white or black). On the other hand, Mrs. Sterling rejects the idea that the Soviets cause, control, direct, or "mastermind" terrorism.

"It was never part of the Soviet design," she writes,

> to create and watch over native terrorist movements, still less attempt to direct their day-to-day activities. The phantom mastermind coordinating world-wide terror from some subterranean map room is a comic-book concept. The whole point of the plan was to let the other fellow do it, contributing to Continental terror by proxy.

On this point of Soviet control she may be too emphatic. There is not enough evidence to prove control by the Soviets; and there is some evidence against it. Nevertheless, in some cases the Soviets do exercise clear formal control (e.g. ANC in South Africa; FARC in Colombia, and the MAR in Mexico during the 1960s) while in other cases (e.g. the PLO and SWAPO) they may be said to exercise virtually informal control through their supply of weapons and training. Moreover, I have spoken with former European intelligence officials who are personally convinced that the Soviets had foreknowledge of a major terrorist incident of the 1970s. If this is true, and if the Soviets did not stop the attack, the implication is that the Soviets or their satellites maintain much closer contact with, and direction of, some terrorist activities than Mrs. Sterling and many others have heretofore believed. It can only be said that, even with the documentation that Mrs. Sterling provides, our knowledge of the precise nature, extent, and goals of Soviet complicity is still very limited. What future research and investigation will indicate is an open question.

Yet, despite the wealth of material, painstaking research, and engaging style, there are some shortcomings in *The Terror Network*. Although they by no means invalidate its conclusions, they still leave it open to attack by those determined to undermine its credibility. One such problem is the author's style, which is that of a journalist rather than an academic or police official. The advantage of journalism is that it makes readable what literate men find unreadable, and Mrs. Sterling makes full use of this virtue. But there are frustrating gaps in names, dates, and relationships that are significant in reconstructing the international terrorist apparatus.

Furthermore, dependent as she is on inferential reasoning, Mrs. Sterling might have demonstrated the transparent absurdity of some of the alternative and comforting explanations of the Soviet links to terrorism. In the case of Giangiacomo Feltrinelli, the wealthy Italian publisher turned terrorist who blew himself up in 1972, Mrs. Sterling notes parenthetically that one of his false passports bore twenty-two Czechoslovak visas from the late 1960s and early 1970s. The implications of

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this small fact are enormous. Yet a CIA official subsequently "explained" it as showing the need for a publisher to travel. But do publishers need false passports to travel? Feltrinelli, moreover, was not then engaged in publishing but in terrorism. And travelling in Czechoslovakia for foreigners, both then and now, is not simple or unrestricted. The likelihood of a Czechoslovakian connection with Italian terrorism is further reinforced by, among myriad other items of information, a set of keys for a Prague apartment found in a Red Brigade safehouse in Ostia shortly after the Moro kidnapping, and by the claims of a high-ranking Czechoslovakian defector that Italian terrorists were trained outside Prague in the late 1960s by Soviet military intelligence personnel. It would not be difficult to devise complex explanations for this pattern of evidence other than Mrs. Sterling's theory that the Soviet satellite Czechoslovakia has been supporting recent Italian terrorism, but the principle of Occam's Razor would lead us to accept her conclusion. Yet would it not have been more persuasive, if not perhaps more tedious, if she had pursued alternative explanations of this evidence and confuted them?

A second problem with *The Terror Network* is that Mrs. Sterling tends to view terrorism in isolation from both Soviet ideology and Soviet global strategy. While she produces quotations from Lenin and Boris Ponomarev to show orthodox Marxist-Leninist views of terrorism, she appears to miss the all-important point that, according to Lenin, terror *by itself* is insufficient to precipitate revolution and is indeed a waste of time. To be effective as a revolutionary weapon, terrorism, or "armed struggle," must be synthesized with the political struggle. It is in this concept that the key to the Soviet strategy of terror lies.

It is highly doubtful that the Soviets seriously think that terrorist groups can bring about a revolution in the advanced economies; that is not their purpose. Rather, the front line lies in the "national liberation movements" of the Third World, on which the "imperialist economies" are dependent. By supporting terrorism in western Europe and North America, the Soviets intend merely to develop a cadre of politically cooperating elements that, in both their violent and non-violent activities, express solidarity with the national liberation struggles and destabilize the "imperial states." The struggle against imperialism is a constant theme of terrorist propaganda, and it is crucial to understand that the primary target of terrorism is not the regime of the "imperial state" itself but its economic and political relationship with the "colonized areas" in revolt.

This theory would explain the often asked questions why is there not more terrorism in the United States itself, and why has terrorism apparently been declining in western Europe in recent years. The answer would be that the United States—the "main enemy" of Soviet propaganda and the great monster of imperialism in revolutionary eyes—has for the last several years been an imperial state on the run. The acquiescence of the U.S. and western Europe in the fall of Indochina, Iran, Nicaragua, Angola, Mozambique, Rhodesia, and Afghanistan to "progressive" forces and western apathy toward revolutionary

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gains in the Caribbean and the Middle East mean that there is no great reason to develop or encourage armed struggle against or within the United States or its allies. The battle, in short, has been going to the enemy, although if the Reagan administration takes a strong stand on El Salvador and other arenas of surrogate conflict, we may expect to see an escalation of Soviet-sponsored terrorism in the United States and a resumption of the terrorist atrocities of the 1970s in western Europe.

Nevertheless, these problems of ideology and strategy remain open to dispute. Nor was it Mrs. Sterling's main purpose to explore or settle them. What little she does have to say on these matters is useful and illuminating. And in her main purpose to document and reconstruct the intricate bonds of a transnational terrorist network that has threatened the West for over a decade, she succeeds admirably.

Samuel T. Francis

Planning for Scarcity

STALINIST PLANNING FOR ECONOMIC GROWTH, 1933–1952. *By Eugène Zaleski.* Translated from the French and edited by M. C. MacAndrew and J. H. Moore. (The University of North Carolina Press, Chapel Hill, 1980)

This is the third in a series of works on Soviet economic planning by Dr. Eugène Zaleski, director of research at the National Center of Scientific Research in Paris. The first work, *Planning Reforms in the Soviet Union, 1962–1966*, appeared in 1967; the second, *Planning for Economic Growth in the Soviet Union, 1918–1932*, in 1971. Taken together, the three volumes encompass most of the history of the Soviet economic planning. Insofar as the framework of the economic system of the U.S.S.R. remains essentially the same as that developed during Stalin's reign, Dr. Zaleski's work contains insights that are important in understanding the nature of the present planning in the socialist countries in general and in the Soviet Union in particular.

Even taken separately, the latest book is one of the most fundamental studies in the field of social sciences. The author analyzes the Soviet planning agencies, and the drafting and the fulfillment (or non-fulfillment) of the Soviet socialist plans. His book contains more than 240 pages of statistical material, carefully verified and arranged. Dr. Zaleski patiently traces the numerous changes of the Soviet plans at different levels of the state and studies the influence of the political and military actions of the Soviet government on economic development. But the most important and striking part of the book is its conclusion.

According to Marxist literature, the state ownership of the means of production—the main feature of socialism—makes it possible to draft a central, rational plan and to achieve growth with a higher standard of living. Dr. Zaleski proves in his book, however, that such a plan,

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coherent and perfect, to be subdivided and implemented at all levels, is only a *myth*. What actually exist, as in any centrally administered economy, are an endless number of plans and decisions, constantly evolving, that are coordinated *after* they have been put into operation. The unification of these innumerable plans into a single national plan, supposedly coherent, takes place rarely (once or twice during a five-year period and once for an annual or quarterly plan); furthermore, the attempt at unification is only a projection of observed tendencies resulting from extrapolating trends based on natural forces (p. 484).

The administrative planning process in the socialist countries forces the higher authorities to demand more than they expect to get and the executors to demand more resources than they actually require. Hence the point of equilibrium that the approved plan represents lies at the intersection of the influence of the various pressure groups that take part in the bargaining. It is highly improbable that this point corresponds to the conditions required by coherence. Socialist administrative planning being essentially the study of millions of pending dossiers, approval of the plan obtained by these procedures makes coherence impossible (p. 490).

The lack of coherence of the national administrative plans is especially serious in wartime. During World War II the Soviet government replaced such plans with "wartime economic plans" of more restricted scope and with specific plans for sectors that enjoyed superiority in supply. Other plans for different branches and activities were tied together only by the budget and by rationing, and "floated" in the sphere of the regulated market economy. Besides the regulated market economy (which is not covered by the national plan but is nevertheless influenced by it), there exists in the Soviet Union a sphere controlled basically by the market. It covers largely the labor market, production and sales from the private plots of collective and state farmers, production and sales of artisans not in cooperatives and various more or less private services (p. 491).

The principal goals of the five-year plans are usually not fulfilled, especially in agricultural production and in the production of consumer goods. Even according to the official Soviet estimates, the agriculture of the U.S.S.R. produced only 57.8 percent of the planned amount of goods in the period of the first five-year plan (p. 503) and 76.9 percent—in the period of the second five-year plan (p. 528). The third five-year plan, launched in March 1939, was upset by the outbreak of war, and the fourth five-year plan was announced in 1946 without really being put into operation. The fifth five-year plan, launched by Stalin in August 1952, was put aside by the changes in policy that followed Stalin's death in March 1953 (p. 498).

The long-term plan for 1961–1980 included in the Program of the Communist Party of the Soviet Union (adopted in 1961) also failed miserably. The Program included a promise to surpass the United States and all other free countries in the standard of living—in particular, to raise the real income of an average Soviet citizen by more than 250 percent, to secure a modern comfortable apartment for every family, and to eliminate the shortage of food. There was also the promise

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to reduce prices and to *abolish* taxes. In addition the people of the U.S.S.R. were promised: free apartments; free kindergartens, nurseries, rest homes and old people's homes; free lunches at work; free transportation; and free medicine. According to the Program, the U.S.S.R. was to become the country with the shortest working day. It was promised that the longevity of the population would increase.

Not a single promise has been fulfilled. The Brezhnev regime significantly lowered the standard of living of the Soviet people. Growing inflation reduced the real income of the population, especially of those tens of millions of people who have stable nominal wages and salaries. The number of apartments built per 1,000 persons annually was reduced by about 40 percent. The shortage of food grew even more serious during recent years. Even according to Soviet statistics, the working day of industrial workers has been increased. The rate of mortality of the population *grew* by about 50 percent, while the death rate in the free countries was significantly reduced. The real income and the living space of an average Soviet citizen are four to five times smaller than the real income and the living space of an average American citizen. The Soviet Union is now lagging behind the whole free world in its standard of living. As the Soviet rate of economic growth has fallen from more than 10 percent to less than 4 percent a year, the Soviet standard of living cannot meet or surpass that of Western countries in the foreseeable future. At the same time, however, the U.S.S.R. has surpassed the United States and other Western countries in the size of the military forces and in the production of arms, which is a great burden for the population of Russia.

Dr. Zaleski has studied only the economic planning in the U.S.S.R. The socialist leaders are, however, more effective at planning persecution, executions, and wars. Altogether, more than 150 million people have been killed, died in the concentration camps, or starved to death in the planned socialist societies. This is the result of socialism and the warning to the world of free enterprise.

Igor S. Glagolev

Contra Marxist Contradictions

MARXISM: FOR AND AGAINST. *By Robert L. Heilbroner.* (W. W. Norton, New York, 1980)

THE POLITICS OF PROCRUSTES: CONTRADICTIONS OF ENFORCED EQUALITY. *By Antony Flew.* (Promethus Books, Buffalo, New York, 1981)

If I shared a prominent Marxist emotion, *viz.* revenge, I would follow the lead of so many "reviewers" in *The New York Review of Books*, Professor Heilbroner included, and simply develop my own reflections on Marxism instead of saying anything about *Marxism: For and Against*. For Professor Heilbroner does not in the least bother to entertain any criticisms of Marxism from non-Marxist circles. But this would be to play the Marxist game—a temptation that

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civilized persons should strenuously resist. *Marxism: For and Against* is, moreover, in large part a decent book by a Marxist with many decent impulses, however muddled and self-deluded the general thinking prompted by those impulses. Professor Heilbroner cannot resist adherence to some basically bourgeois virtues—notably, honesty. He has therefore managed to admit several of the most self-indicting elements of Marxism. This should be welcome in an age when hundreds of self-proclaimed Marxists constantly engage in clean-up operations to save their guru from the allegations of being confused, often mean-minded, anything but careful in his reasoning, far from fair to those he criticized in print, and fertile in dangerous implications. Professor Heilbroner is a worthy Marxist: he bites the bullet when that is what, by the force of logic, must be done.

As to Antony Flew's book, it is merely a gem. And one reason for reviewing it alongside Professor Heilbroner's book is that Professor Flew provides much of the needed philosophical and general equipment required for a clear grasp of what is wrong with Marxism, including examples of Marxist-Leninist nonsense and evil in both print and practice.

But, first, the mists. *Marxism: For and Against* starts by exploring its theme: "Why is it that the work of Marx, from which Marxism springs, exerts such fascination after more than a century?" (p. 15).[1] His generous answer is that "some part of the 'presence' that Marxism obtrudes upon the world is surely the consequence of its unifying tendencies and its teleological thrust" (p. 23). He believes that Marxism, unlike all other philosophies, manages "to infuse a hitherto lacking coherence and meaning into social existence, not least into that aspect of existence that concerns our personal engagement with the society surrounding us" (p. 23).[2]

How Professor Heilbroner manages to exude such confidence in Marx's "unifying tendencies" when by now there are about 300 different definitive versions of Marxism abroad is something to wonder at and admire, preferably from afar. Concerning any reasonable assessment of its capacity to withstand honest scrutiny, Marxism has to be regarded as seriously faltering—alive politically, perhaps, but of no significant intellectual force to other than true believers. Professor Heilbroner anticipates this sort of attack and claims that the *dialectical approach to knowledge*, the *materialist approach to history*, the Marxist *socioanalysis of capitalism*, and the *commitment to socialism* all combine to form "a set of premises...that *define[s]* Marxist thought"(p. 20). But what he does not come to grips with here is that, on all these matters, almost all Marxists have different ideas—indeed, they take the very words to mean different things. At a recent convention of Marxist philosophers, for example, just one concept, that of "materialist," received as many as four drastically different interpretations—including "physical," "real," "factual," and "composed of

1. All further page numbers in parentheses refer to the books under review.
2. A very different answer is proposed by Robert Wessen, *Why Marxism?* (Basic Books, 1976).

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matter." Entire passages from Marx were offered up as test cases for reinterpretation in light of these diverse conceptions of "materialist," all resulting in mutually incompatible renditions of Marx's meaning. No doubt the same could be done—and probably has been done—with any of the several dozen of Marx's key terms.[3]

Moving on to less scholastic matters, Professor Heilbroner tells us that "the *raison d'etre* of Marxism lies in its commitment to a political goal, namely the overthrow (although not necessarily by violence) of the capitalist order and its replacement by a socialist, eventually, a communist one" (p. 25). Oddly enough, however, he declines an invitation to seriously examine the nature of Soviet Marxism. (We are given a clue, nevertheless, as to how Marxism relates to Stalinism, but it does not bode well for any attempt to merge Marxism and political liberty, let alone anything resembling democratic politics. Professor Heilbroner tells us forthrightly that the transformation of bourgeois societies into socialist ones "requires the use of political command [though not] in an arbitrary or dictatorial fashion, but certainly it requires the curtailment of the central economic freedom of bourgeois society, namely the right of individuals to own, and therefore to withhold if they wish, the means of production, including their own labor" [p. 157].[4])

Aside from its refreshing frankness about the necessity for slave labor in achieving socialism—for that is what expropriation of "the means of production, including their own labor," comes to—there are other similar instructive elements to this book. The chapter on "The Dialectical Approach to Philosophy" is useful if only because of its admission of the obscurities in the Marxian conception of dialetics. I find it interesting that Marxists try so hard to save this element of Marxism which, in Hegel, had some metaphysical backing, but which loses every bit of support it might have in the materialism of Marx because it is largely linked to certain nineteenth century ideas of human evolution and racialism. In her " 'In the Interest of Civilization': Marxist Views of Race and Culture in the Nineteenth Century," (*Journal of the History of Ideas*, January-March 1981), Diane Paul carefully documents this widely suppressed aspect of Marx's and Engels's point of view. Marx makes unambiguous reference to "racial differences [which] can and must be abolished in the course of historical develop-

3. Some key terms are "freedom," "human nature," "alienation," "exploitation," "capitalism," and "value."

4. An even more forthright Marxist, William Ash, wrote recently (in his *Morals and Politics*, Routledge & Kegan Paul, London, 1977), that "the liquidation of a class of exploiters by no means implies the elimination of individual members of that class—only the destruction of the social basis which enabled them to exploit others. The class of criminally negligent motorists, for example, could be eliminated without a single person's being subjected to violence—unless, of course, those motorists insisted on defending their 'right' to drive just as they please" (p. 147). So those who died or were enslaved in the gulag simply didn't understand that they were criminals who "insisted on defending their 'right' to" live their lives and use their belongings.

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ment," differences that Marx, following an obscure racialist Pierre Tremaux, attributed to soil variations throughout the world. Marx wrote to Engels, on August 7, 1866, that "Tremaux is much more important and fruitful than Darwin." And he generally dismissed entire groups of human beings, including "the common Negro type [which] is only a degeneration of a much higher one," Slavs, Poles, and Basques, among others. But none of this is discussed in Professor Heilbroner's adulatory tract. Instead, in an attempt to set up an easy target against which Marxist dialetical thinking might be seen in a favorable light, the author is eager and certainly able to demonstrate some of the shortcomings of the Cartesian rationalism and positivism that have sometimes disfigured the social sciences. But he fails utterly to provide any good reasons for choosing the dialetical approach over common sense linked with conscientious science and civilized (contemptuously labelled "bourgeois") morality. Eventually he escapes the liabilities of this muddled element in Marxism by claiming that "the very elements that generate clear communication in ordinary discourse—the relatively clear-cut language of common sense and logic—are ill-qualified for the presentation of a dialectical view with its focus on the ideas of flux, contradiction, interpretation, etc." (p. 58). Admittedly, expecting the world to yield to some static picture we form of it, *a la* the crudest version of Platonist idealism, is folly; and we should be prepared to update our understanding as time passes and good grounds are found for doing so. But one may swallow this commonsensical gnat and still strain at the camel of Marxist dialectics.

More quickly, Professor Heilbroner's "The Materialist Interpretation of History" gets bogged down in the paradoxes generated by Marx's belief that, for human beings, it is "their social being that determines their consciousness." This is to say that the environment—including, of course, how folks produce their livelihood—causes what people think. In their later years, Marx and Engels tried to extricate themselves from the implications of this drastic environmental determinism by distinguishing between *ultimate* and *only* determinants. Yet, of course, once the environmental determinism is abandoned, so must the "scientific" character of Marxian socialism. But was it not this scientific claim which gave Marxism its standing as a somewhat useful perspective on human society? Without it, all we have is a *commitment to*—or, to use the term of another contemporary Marxist, Anges Heller,[5] a *faith in* —socialist human emancipation.[6]

5. Agnes Heller, "Towards a Marxist Theory of Value," *Kinesis*, Vol. 5 (Fall 1972), p. 76.

6. This human emancipation in Marxism amounts to something like the collective maturation of the human race, an analogy with the maturation of individual human beings most biologists (and bourgeois thinkers) would consider sensible to entertain. A great deal of the inhumanity practiced in the name of Marxism can be understood by noting that individual persons in this doctrine are but constituent parts of the whole, transcendent individual, namely humanity.

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The chapters on "The Socioanalysis of Capitalism" and "The Commitment to Socialism" are not without merit; but they contain little that is really new or helpful. Aside from the confusions and special pleadings familiar from all Marxist circles—which include ignoring all serious theorists who defend capitalism—only the confessions of the unabashedly tyrannical features of the Marxist revolutionary progress toward socialism are worth attention.

Let me finally note that Marxism has appeal because it feeds on envy and revenge. Injustice is not difficult to find around the globe, and in the absence of easy remedies, a point of view that can be transformed into bumper-sticker slogans cannot help but be attractive. "Not for profit but for use" (as if the alternative were that simple or even possible) deceives many innocent hearts and minds. And, of course, there is the problem of the absence of fighting alternatives, with contemporary western philosophy offering little besides logic-chopping and intuition-based analytic philosophy as the alternatives to the monstrous deception of Marxian reductionism.

An excellent manifestation of contemporary analytic philosophy, however, is Antony Flew's *The Politics of Procrustes*, in which the author unleashes his razor criticism on the numerous enemies of liberty (in the libertarian, capitalist sense of this term). The central theme of his book is that the clamor for equality is at once ancient and barbarous. Professor Flew explains that in the Greek legend Procrustes "forced passing travellers to lie down on a bed, and if any were too long for the bed he lopped off those parts of their bodies which protruded, while racking out the legs of the ones who were too short." He discusses numerous ideas of equality, seeking to distinguish those with good sense going for them from those that are at best pipe dreams and at worst vile frauds. As for socialism, Professor Flew—in contrast to Professor Heilbroner on capitalism—consults self-proclaimed socialists and extracts from their evidence the most consistent and persistent rendition of that social ideal. In the end he concludes that the concept means nothing more or less than the "satisfaction of that most familiar and traditional criterion, collective ownership and public control" of the means of production, indeed, the entire realm of human interaction (p. 14). That the latter is virtually a necessary feature of a socialist political system for the author is shown by his rhetorical question: "Can it really be nothing but a quirk of history that, among all the many countries that are as near as makes no matter fully socialist, there is not one where opposition parties are allowed to organize, and to contest elections? In Poland, I have myself heard all-too-experienced students of political geography ask: 'Where is there a socialist democracy?' They gave themselves the wry answer, 'On the moon.' " (p. 44) (One hates to think of what this spells for France!)

Following some choice quotes from such eminent egalitarians as Christopher Jencks, Tyrrell Burgess, Ted Honderich—all exhibiting blind faith in the uppermost value of what in fact is the mere relative value of equality—Professor Flew offers such insights as these:

> To the extent that you are indeed an authentic egalitarian you are committed to saying that what various persons are to hold is to be determined

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> primarily by reference to what other people have, rather than by reference to what those persons themselves both are or are not, and have or have not done (p. 29).

Furthermore,

> ....(T)hose who do not accept equality as a value are not necessarily, and by that token, lovers of inequality as such. They very often reject both egalitarian and inegalitarianism as direct objectives, because it seems to them perverse to lay such emphasis upon any mere relativities; to attend above all, that is, not to first-order goods and how to maximize them, but instead of second-order questions about who has more or less of one than another has. It is, therefore, although understandably tempting, wrong to label all those who do not recognise equality as a value, or who oppose policies for its enforcement, inegalitarians. You might as well argue that anyone who does not accept the classical Utilitarian thesis that the supreme good is the greatest happiness of the greatest number must, by that rejection, be committed to cherishing as the only alternative the maximum misery of the maximum number (p. 30).

In the first sections of the book Professor Flew discusses numerous exciting philosophical issues, sometimes in ways that I find not altogether acceptable—mainly because he chooses to uphold the familiar "is/ought" dichotomy. This doctrine has it that whereas judgments as to what is (was or will be) the case can be true or false, judgments about what someone should do, as a matter of moral standards, do not enjoy such an exhalted cognitive status. These can perhaps aspire to expressions of preference, wishes, educated taste, or something more complicated; they can not, however, tell us anything about the world or our relationship to it. So viewing things leaves us at sea concerning whether any sort of conduct, any institutions or even political regimes are *in fact* more worthwhile than others. In the end, accepting the "is/ought" dichotomy leaves us with no *moral* basis for choosing between alternatives of any sort. Such a stance, then, leads Professor Flew to embrace what comes to but a purely formalistic conception of human rights. As he puts it: "What actual rights there are, if any, and upon what particular facts these are grounded, is a substantial matter of morals. As such it must no doubt remain inherently contentious. It would be different if rights were indeed deducible from their grounds ...[f]or in that case, the relevant facts about people being known, questions of rights could be settled by the operation of a logical calculus" (p. 37). This conclusion about basic human rights is extremely dubious and quite unnecessary. While knowing the facts about human nature will not by itself permit any mathematical deduction of human rights, it will permit us, with the aid of some knowledge about social life and economics, to rationally identify the basic requirements of civilized social existence, exactly what the basic human rights stated in the Declaration of Independence manage to do. Knowing that human beings must guide their lives by the freely chosen ideas and theories

7. Tibor R. Machan, "Wronging Rights," *Policy Review*, No. 17, (Summer 1981).

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their minds can produce, and knowing that the central threat to such a choice in societies is the aggressive behavior of other human beings, we can infer that a system where individuals have the legally protected rights to their lives and to the freedom to guide them by their own judgment is morally better than a society where this is precluded (since "higher" goals are being pursued, such as "history's" dialectical mission).[7]

At any rate, Professor Flew goes on to discuss numerous other topics in a way I find extremely satisfactory, and my disagreement with him about the human rights issue does not much mar this work. Here is analytic philosophy at its best. To quote J. L. Austin, whom Professor Flew himself clearly admires, this involves "looking not merely at words. . . but also at the realities we use words to talk about. We are using a sharpened awareness of words to sharpen our perception of the phenomena."[8] And more than that. Professor Flew has a wealth of facts and quotes at his fingertips so that nowhere does his reader get that impression, familiar from reading people opposed to capitalism and the free market, namely, that the author is simply pleading his case, not letting us in on his adversaries' best case, counting on our limited familiarity with the relevant material and on our limited time.

No, here is the best of scholarship: willingness to embark on the most intricate levels of abstraction while keeping close to *terra firma* so we can actually learn from the expedition just what we need.

Tibor Machan

8. J. L. Austin, *Philosophical Papers* (Oxford University Press, 1970), p. 182.

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